

REVISED AGENDA

(ADDED CONTINUED ITEMS FROM JUNE 17, 2025 AND
UPDATED TELECONFERENCE LOCATION)

BERKELEY CITY COUNCIL MEETING

Tuesday, June 24, 2025
6:00 PM

SCHOOL DISTRICT BOARD ROOM - 1231 ADDISON STREET, BERKELEY, CA 94702

TELECONFERENCE LOCATION - 18315 RAY'S RD - CABIN 5, PHILO, CA 95466

TELECONFERENCE LOCATION - 1032 BANCROFT WAY, BERKELEY, CA 94710

ADENA ISHII, MAYOR

Councilmembers:

DISTRICT 1 – RASHI KESARWANI

DISTRICT 2 – TERRY TAPLIN

DISTRICT 3 – BEN BARTLETT

DISTRICT 4 – IGOR TREGUB

DISTRICT 5 – SHOSHANA O'KEEFE

DISTRICT 6 – BRENT BLACKABY

DISTRICT 7 – CECILIA LUNAPARRA

DISTRICT 8 – MARK HUMBERT

This meeting will be conducted in a hybrid model with both in-person attendance and virtual participation. Live captioned broadcasts of Council meetings are available on B-TV (Channel 33) and via internet video stream at http://berkeley.granicus.com/MediaPlayer.php?publish_id=1244. All Council meetings are recorded.

*To access the meeting remotely use this URL: <https://cityofberkeley-info.zoomgov.com/j/1605843840> To request to speak, use the "raise hand" function in Zoom. To join by phone: Dial **1-669-254-5252** or **1-833-568-8864 (Toll Free)** and enter **Meeting ID: 160 584 3840**. To provide public comment, Press *9 and wait to be recognized by the Chair. To submit a written communication for the public record, email council@berkeleyca.gov.*

This meeting will be conducted in accordance with the Brown Act, Government Code Section 54953. Any member of the public may attend this meeting, however, if you are feeling sick, please do not attend the meeting in person. The City Council may take action related to any subject listed on the Agenda.

Pursuant to the City Council Rules of Procedure and State Law, the presiding officer may remove, or cause the removal of, an individual for disrupting the meeting. Prior to removing an individual, the presiding officer shall warn the individual that their behavior is disrupting the meeting and that their failure to cease their behavior may result in their removal. The presiding officer may then remove the individual if they do not promptly cease their disruptive behavior. "Disrupting" means engaging in behavior during a meeting of a legislative body that actually disrupts, disturbs, impedes, or renders infeasible the orderly conduct of the meeting and includes, but is not limited to, a failure to comply with reasonable and lawful regulations adopted by a legislative body, or engaging in behavior that constitutes use of force or a true threat of force.

Government Code Section 84308 (Levine Act) - Parties to a proceeding involving a license, permit, or other entitlement for use are required to disclose if they made contributions over \$500 within the prior 12 months to any City employee or officer. Parties and participants with a financial interest are prohibited from making more than \$500 in contributions to a decisionmaker for the 12 months after the final decision is rendered on the proceeding. The above contribution disclosures and restrictions do not apply when the proceeding is competitively bid, or involves a personnel or labor contract. For more information, see Government Code Section 84308.

Preliminary Matters

Roll Call:

Land Acknowledgement Statement: *The City of Berkeley recognizes that the community we live in was built on the territory of xučyun (Huchiun (Hooch-yoon)), the ancestral and unceded land of the Chochenyo (Cho-chen-yo)-speaking Ohlone (Oh-low-nee) people, the ancestors and descendants of the sovereign Verona Band of Alameda County. This land was and continues to be of great importance to all of the Ohlone Tribes and descendants of the Verona Band. As we begin our meeting tonight, we acknowledge and honor the original inhabitants of Berkeley, the documented 5,000-year history of a vibrant community at the West Berkeley Shellmound, and the Ohlone people who continue to reside in the East Bay. We recognize that Berkeley's residents have and continue to benefit from the use and occupation of this unceded stolen land since the City of Berkeley's incorporation in 1878. As stewards of the laws regulating the City of Berkeley, it is not only vital that we recognize the history of this land, but also recognize that the Ohlone people are present members of Berkeley and other East Bay communities today. The City of Berkeley will continue to build relationships with the Lisjan Tribe and to create meaningful actions that uphold the intention of this land acknowledgement.*

Ceremonial Matters: *In addition to those items listed on the agenda, the Mayor may add additional ceremonial matters.*

1. Adjourn in memory of Marie Gunter, Sustainability Advocate
2. Adjourn in memory of John George Leitmann, UC Berkeley Professor

City Manager Comments: *The City Manager may make announcements or provide information to the City Council in the form of an oral report. The Council will not take action on such items but may request the City Manager place a report on a future agenda for discussion.*

Public Comment on Non-Agenda Matters: *Up to ten persons will be selected to address matters not on the Council agenda. If five or fewer persons are identified to provide non-agenda comment, each person selected will be allotted two minutes each. If more than five persons are selected to address matters not on the Council agenda, each person selected will be allotted one minute each.*

In-person attendees wishing to address the Council on matters not on the Council agenda during the initial ten-minute period for such comment, must submit a speaker card to the City Clerk in person at the meeting location and prior to the moment that the Presiding Officer calls for public comment on non-agenda items. Remote attendees must raise their hand in the videoconference application when the Presiding Officer calls for non-agenda speakers. The first five raised hands on the videoconference application will be selected to speak and the first five cards drawn at the meeting will be selected to speak. The number of in-person and remote speakers selected may be adjusted by the Presiding Officer if fewer than five speakers from either format are identified.

The remainder of the speakers wishing to address the Council on non-agenda items will be heard at the end of the agenda.

Public Comment by Employee Unions (first regular meeting of the month): *This period of public comment is reserved for officially designated representatives of City of Berkeley employee unions, with five minutes allocated per union if representatives of three or fewer unions wish to speak and up to three minutes per union if representatives of four or more unions wish to speak.*

Consent Calendar

The Council will first determine whether to move items on the agenda for “Action” or “Information” to the “Consent Calendar”, or move “Consent Calendar” items to “Action.” Three members of the City Council must agree to pull an item from the Consent Calendar or Information Calendar for it to move to Action. Items that remain on the “Consent Calendar” are voted on in one motion as a group. “Information” items are not discussed or acted upon at the Council meeting unless they are moved to “Action” or “Consent”.

No additional items can be moved onto the Consent Calendar once public comment has commenced. At any time during, or immediately after, public comment on Information and Consent items, any Councilmember may move any Information or Consent item to “Action.” Following this, the Council will vote on the items remaining on the Consent Calendar in one motion.

For items moved to the Action Calendar from the Consent Calendar or Information Calendar, persons who spoke on the item during the Consent Calendar public comment period may speak again at the time the matter is taken up during the Action Calendar.

Public Comment on Consent Calendar and Information Items Only: *The Council will take public comment on any items that are either on the amended Consent Calendar or the Information Calendar. If ten or fewer persons are interested in speaking on an individual agenda item, each speaker may speak for two minutes. If there are more than ten persons interested in speaking, the Presiding Officer may limit the public comment for all speakers to one minute per speaker. Speakers are permitted to yield their time to one other speaker, however no one speaker shall have more than four minutes. The Presiding Officer may, with the consent of persons representing both sides of an issue, allocate a block of time to each side to present their issue. A speaker may only speak once during the period for public comment on Consent Calendar and Information items.*

Additional information regarding public comment by City of Berkeley employees and interns: Employees and interns of the City of Berkeley, although not required, are encouraged to identify themselves as such, the department in which they work and state whether they are speaking as an individual or in their official capacity when addressing the Council in open session or workshops.

Consent Calendar – Continued Business

- A. FY 2026 Tax Rate: Business License Tax on Large Non-Profits** *(Continued from June 17, 2025)*
From: City Manager
Recommendation: Adopt second reading of Ordinance No. 7,962–N.S. setting the FY 2026 tax rate for Business License Tax on large non-profits at \$0.8736 (87.36 cents) per square foot of improvements.
First Reading Vote: All Ayes.
Financial Implications: See report
Contact: Henry Oyekanmi, Finance, (510) 981-7300
- B. FY 2026 Tax Rate: Fund the Debt Service on the Street and Watershed Improvements General Obligation Bonds (Measure M, November 2012 Election)** *(Continued from June 17, 2025)*
From: City Manager
Recommendation: Adopt second reading of Ordinance No. 7,963–N.S. setting the FY 2026 tax rate funding the debt service on the Street and Integrated Watershed Improvements General Obligation Bonds (Measure M, November 2012) at 0.0050%.
First Reading Vote: All Ayes.
Financial Implications: See report
Contact: Henry Oyekanmi, Finance, (510) 981-7300

Consent Calendar – Continued Business

- C. FY 2026 Tax Rate: Fund Debt Service on 2015 Refunding General Obligation Bonds (Measures G, S & I) (Continued from June 17, 2025)**
From: City Manager
Recommendation: Adopt second reading of Ordinance No. 7,964–N.S. setting the FY 2026 tax rate funding the debt service on the 2015 consolidation of Measures G, S and I (General Obligation Bonds - Elections of 1992, 1996 and 2002) at 0.0090%.
First Reading Vote: All Ayes.
Financial Implications: See report
Contact: Henry Oyekanmi, Finance, (510) 981-7300
- D. FY 2026 Tax Rate: Fund the Provision of Emergency Medical Services (Paramedic Tax) (Continued from June 17, 2025)**
From: City Manager
Recommendation: Adopt second reading of Ordinance No. 7,965–N.S. setting the FY 2026 tax rate for funding the provision of emergency medical services to Berkeley residents at \$0.0474 (4.74 cents) per square foot of improvements.
First Reading Vote: All Ayes.
Financial Implications: See report
Contact: Henry Oyekanmi, Finance, (510) 981-7300
- E. FY 2026 Tax Rate: Fund Sustainable and Accountable Funding for Equitable Street Transformation, Revitalization, Enhancements, and Essential Traffic Safety (SAFE STREETS) (Measure FF) (Continued from June 17, 2025)**
From: City Manager
Recommendation: Adopt second reading of Ordinance No. 7,966–N.S. setting the FY 2026 tax rate for funding Sustainable and Accountable Funding for Equitable Street Transformation, Revitalization, Enhancements, and Essential Traffic Safety (SAFE STREETS), otherwise known as Measure FF, at an annual rate of \$0.17 per square foot of dwelling unit improvements and \$0.25 per square foot for industrial, commercial, and institutional improvements for the 18-month period from January 1, 2025 to June 30, 2026.
First Reading Vote: All Ayes.
Financial Implications: See report
Contact: Henry Oyekanmi, Finance, (510) 981-7300, Terrance Davis, Public Works, (510) 981-6300
- F. FY 2026 Tax Rate: Fund the Maintenance of Parks, City Trees and Landscaping (Continued from June 17, 2025)**
From: City Manager
Recommendation: Adopt second reading of Ordinance No. 7,967–N.S. setting the FY 2026 tax rate for funding all improvements for the maintenance of parks, City trees, and landscaping in the City of Berkeley at \$0.2652 (26.52 cents) per square foot of improvements.
First Reading Vote: All Ayes.
Financial Implications: See report
Contact: Henry Oyekanmi, Finance, (510) 981-7300

Consent Calendar – Continued Business

- G. FY 2026 Tax Rate: Fund the Debt Service on the Affordable Housing General Obligation Bonds (Measure O, November 2018 Election)** *(Continued from June 17, 2025)*
From: City Manager
Recommendation: Adopt second reading of Ordinance No. 7,968–N.S. setting the FY 2026 tax rate funding the debt service on the Affordable Housing General Obligation Bonds (Measure O, November 2018) at 0.0200%.
First Reading Vote: All Ayes.
Financial Implications: See Report
Contact: Henry Oyekanmi, Finance, (510) 981-7300
- H. FY 2026 Tax Rate: Fund the Debt Service on the Infrastructure and Facilities General Obligation Bonds (Measure T1, November 2016 Election)** *(Continued from June 17, 2025)*
From: City Manager
Recommendation: Adopt second reading of Ordinance No. 7,969–N.S. the FY 2026 tax rate funding the debt service on the Infrastructure and Facilities Improvements General Obligation Bonds (Measure T1, November 2016) at 0.0110%.
First Reading Vote: All Ayes.
Financial Implications: See report
Contact: Henry Oyekanmi, Finance, (510) 981-7300
- I. FY 2026 Tax Rate: Fund Debt Service on Neighborhood Branch Library Improvements Project General Obligation Bonds (Measure FF, November 2008 Election)** *(Continued from June 17, 2025)*
From: City Manager
Recommendation: Adopt second reading of Ordinance No. 7,970–N.S. setting the FY 2026 tax rate for funding the debt service on the Neighborhood Branch Library Improvements Project General Obligation Bonds (Measure FF, November 2008 Election) at 0.0040%.
First Reading Vote: All Ayes.
Financial Implications: See report
Contact: Henry Oyekanmi, Finance, (510) 981-7300
- J. FY 2026 Tax Rate: Fund Emergency Services for the Severely Disabled (Measure E)** *(Continued from June 17, 2025)*
From: City Manager
Recommendation: Adopt second reading of Ordinance No. 7,971–N.S. setting the FY 2026 tax rate for funding the provision of emergency services for the disabled at \$0.02229 (2.229 cents) per square foot of improvements.
First Reading Vote: All Ayes.
Financial Implications: See report
Contact: Henry Oyekanmi, Finance, (510) 981-7300

Consent Calendar – Continued Business

- K. FY 2026 Special Tax Rate: Fund the Provision of Library Relief Act** *(Continued from June 17, 2025)*
From: City Manager
Recommendation: Adopt second reading of Ordinance No. 7,972–N.S. setting the FY 2026 tax rate for the Library Relief Act of 2024, approved by Berkeley voters in the November 2024 election, for funding the provision of Library Services in the City of Berkeley at \$0.06 (6.00 cents) per square foot for dwelling units and \$0.09 (9.00 cents) per square foot for industrial, commercial, and institutional buildings.
First Reading Vote: All Ayes.
Financial Implications: See report
Contact: Henry Oyekanmi, Finance, (510) 981-7300, Tess Mayer, Library, (510) 981-6100
- L. FY 2026 Special Tax Rate: Fund the Provision of Library Services** *(Continued from June 17, 2025)*
From: City Manager
Recommendation: Adopt second reading of Ordinance No. 7,973–N.S. setting the FY 2026 tax rate for funding the provision of Library Services in the City of Berkeley at \$0.2980 (29.80 cents) per square foot for dwelling units and \$0.4506 (45.06 cents) per square foot for industrial, commercial, and institutional buildings.
First Reading Vote: All Ayes.
Financial Implications: See report
Contact: Henry Oyekanmi, Finance, (510) 981-7300, Tess Mayer, Library, (510) 981-6100

Consent Calendar

- 1. Amendments to Ordinance Prohibiting the Sale or Use of Coordinated Pricing Algorithms (BMC 13.63) to Suspend Effective Date Until March 2026**
From: City Manager
Recommendation: Amend the Ordinance Prohibiting the Sale or Use of Coordinated Pricing Algorithms (BMC 13.63) to suspend the effective date until March 1, 2026.
Financial Implications: See report
Contact: Farimah Brown, City Attorney, (510) 981-6998
- 2. Minutes for Approval**
From: City Manager
Recommendation: Approve the minutes for the Council meetings of May 5, 2025 (special closed), May 6, 2025 (special and regular), May 13, 2025 (special closed), May 20, 2025 (special and regular), May 21, 2025 (special closed), and May 27, 2025 (special closed).
Financial Implications: None
Contact: Mark Numainville, City Clerk, (510) 981-6900

Consent Calendar

- 3. Recommendations for County Measure W Funding**
From: City Manager
Recommendation: Send a letter to the Alameda County Board of Supervisors outlining the City Council's priorities for initial rounds of funding from Measure W, a half-cent sales tax increase passed by Alameda County voters in November 2020.
Financial Implications: See report
Contact: Peter Radu, City Manager's Office, (510) 981-7000
- 4. Contract: Cultural Planning Group, LLC for a Plan for a Resilient Arts & Culture Sector in Berkeley**
From: City Manager
Recommendation: Adopt a Resolution authorizing the City Manager to execute a contract and any necessary amendments with Cultural Planning Group, LLC for an amount not to exceed \$149,980 for the development of a comprehensive plan to support and maintain a Resilient Arts & Culture Sector in Berkeley. The term of the contract will be 18 months.
Financial Implications: See report
Contact: Eleanor Hollander, Economic Development, (510) 981-7530
- 5. FY 2026 Reaffirming the Investment Policy and Designation of Investment Authority**
From: City Manager
Recommendation: Adopt a Resolution reaffirming the Investment Policy (no revisions are recommended) and to confirm the delegation of investment authority to the Director of Finance to make investments for FY 2026.
Financial Implications: See report
Contact: Henry Oyekanmi, Finance, (510) 981-7300
- 6. Appropriations Limit for FY 2026**
From: City Manager
Recommendation: Adopt a Resolution establishing the appropriations limit at \$407,546,513 for FY 2026 pursuant to Article XIIB of the Constitution of the State of California based on the calculations for the appropriations limit.
Financial Implications: See report
Contact: Henry Oyekanmi, Finance, (510) 981-7300
- 7. FY 2026 Tax Rate: Fund Fire Protection and Emergency Response and Preparedness (Measure GG)**
From: City Manager
Recommendation: Adopt first reading of an Ordinance setting the FY 2026 tax rate for funding Fire Protection and Emergency Response and Preparedness in the City of Berkeley at the rate of \$0.06695 (6.695 cents) per square foot of improvements for dwelling units and setting the rate for all other property at \$0.10132 (10.132 cents) per square foot of improvements.
Financial Implications: See report
Contact: Henry Oyekanmi, Finance, (510) 981-7300

Consent Calendar

- 8. FY 2026 Tax Rate: Fund Firefighting, Emergency Medical Response and Wildfire Prevention (Measure FF)**
From: City Manager
Recommendation: Adopt first reading of an Ordinance setting the FY 2026 tax rate for funding Firefighting, Emergency Medical Response and Wildfire Prevention (Measure FF) in the City of Berkeley at the annual tax rate of \$0.1299 (12.99 cents) per square foot of improvements.
Financial Implications: See report
Contact: Henry Oyekanmi, Finance, (510) 981-7300
- 9. Funding Reservation for Resources for Community Development's Maudelle Miller Shirek Community Project**
From: City Manager
Recommendation: Adopt a Resolution: (1) Reserving an additional \$500,000 for Resources for Community Development's (RCD) Maudelle Miller Shirek Community project from the FY25 available Small Sites Program fund balance. (2) Conditioning the funding on RCD providing information to tenants on City rental assistance programs with any nonpayment eviction notices issued at the project. (3) Authorizing the City Manager or designee to execute all original or amended documents or agreements to effectuate this action.
Financial Implications: See report
Contact: Scott Gilman, Health, Housing, and Community Services, (510) 981-5400
- 10. 2024 Housing Trust Fund Request for Proposals - Funding Reservations**
From: City Manager
Recommendation: Adopt a Resolution to: 1. Reserve \$2,990,000 in funding for Resources for Community Development's Adeline Street Apartments (3224 Adeline Street); 2. Reserve \$2,868,571 in funding for Satellite Affordable Housing Associates' Ashby Lofts (2909 Ninth Street); 3. Authorize the City Manager to refinance existing HTF loans for each project into new loans with terms consistent with the HTF Guidelines; 4. Waive Section IV.C.1 of the Housing Trust Fund Guidelines for projects receiving funds through this Request for Proposals process; 5. Condition the funding on the respective housing developers providing information to tenants on City rental assistance programs with any nonpayment eviction notices issued at these properties; 6. Approve multi-year operating funding contracts for Resources for Community Development and Satellite Affordable Housing Associates, starting Fiscal Year (FY)2025-2026 and ending in FY2029-2030, estimated at up to \$30,000 per organization per year; 7. Authorize City Manager or designee to determine the amount of funding to be awarded to Resources for Community Development and Satellite Affordable Housing Associates annually from FY2026 to FY2030, based on the amount of the City's annual allocation of HOME funds and availability of General Fund match; and 8. Authorize the City Manager or designee to execute all original or amended documents or agreements to effectuate this action.
Financial Implications: See report
Contact: Scott Gilman, Health, Housing, and Community Services, (510) 981-5400

Consent Calendar

- 11. Fiscal Year 2025 - Donations for the Berkeley Meals on Wheels Program**
From: City Manager
Recommendation: Adopt a Resolution authorizing the City to accept donations totaling \$8,000 for the Berkeley Meals on Wheels program for fiscal year 2025.
Financial Implications: See report
Contact: Scott Gilman, Health, Housing, and Community Services, (510) 981-5400
- 12. Shelter Plus Care Program Renewal Grants**
From: City Manager
Recommendation: Adopt a Resolution authorizing the City Manager or designee to receive up to the maximum grant award for the following two Shelter Plus Care grants and to execute any resultant agreements and amendments. a. Alameda County Shelter Plus Care grant in a not-to-exceed amount of \$1,022,704 to provide tenant-based rental assistance to individuals who are chronically homeless and disabled from March 1, 2025, through February 28, 2026; and b. U.S. Department of Housing and Urban Development (HUD) Shelter Plus Care grant in the amount of \$7,305,893 for Supportive Housing Collaborative Project (SHC) for the period September 1, 2025, through August 31, 2026.
Financial Implications: See report
Contact: Scott Gilman, Health, Housing, and Community Services, (510) 981-5400
- 13. Contract: HR Acuity, LLC for Case Management and Employee Relations Software**
From: City Manager
Recommendation: Adopt a Resolution authorizing the City Manager to execute an amendment to Contract No. 32100046 with HR Acuity, LLC for case management and employee relations software, for a total amount not to exceed \$189,000 and extending the contract term to June 30, 2028.
Financial Implications: See report
Contact: Janelle Rodrigues, Human Resources, (510) 981-6800
- 14. Contract: Innovative Claim Solutions for Third Party Claims Administration of City's Workers' Compensation Program**
From: City Manager
Recommendation: Adopt a Resolution authorizing the City Manager to execute and implement a contract and any amendments with Innovative Claim Solutions, Inc. (ICS), to provide workers' compensation third-party administrative services in an amount not to exceed \$1,888,570 for the period July 1, 2025, through June 30, 2028.
Financial Implications: See report
Contact: Janelle Rodrigues, Human Resources, (510) 981-6800

Consent Calendar

- 15. Contract: Downtown Berkeley YMCA Fitness Center Memberships for City Employees**
From: City Manager
Recommendation: Adopt a Resolution authorizing the City Manager to execute a contract and any amendments with the Downtown Berkeley YMCA in the amount of \$179,136 for fitness center memberships for City employees for the period July 1, 2025, through June 30, 2026.
Financial Implications: See report
Contact: Janelle Rodrigues, Human Resources, (510) 981-6800
- 16. Contract No. 32500005 Amendment: Accela, Inc. for Environmental Health Software**
From: City Manager
Recommendation: Adopt a Resolution authorizing the City Manager to execute an amendment to Contract No. 32500005 with Accela, Inc. (“Accela”) to increase spending authority by \$90,200 for Environmental Health (“EH”) software for a total amount not to exceed \$1,414,393 for the period of July 1, 2024 to June 30, 2027.
Financial Implications: See report
Contact: Kevin Fong, Information Technology, (510) 981-6500
- 17. Contract No. 31900174 Amendment: Carahsoft Technology Corporation Using General Services Administration (“GSA”) Schedule for Website Hosting, Software, and Related Services**
From: City Manager
Recommendation: Adopt a Resolution authorizing the City Manager to execute an amendment to Contract No. 31900174 to increase spending authority with Carahsoft Technology Corporation (“Carahsoft”) for website hosting services, core infrastructure software, and related services utilizing pricing established by the GSA, for \$700,000 for a total not to exceed amount of \$2,378,953 for the period May 15, 2019 to June 30, 2027.
Financial Implications: See report
Contact: Kevin Fong, Information Technology, (510) 981-6500
- 18. Contract No. 32300210 Amendment: Pacific Site Management for On-Call Vegetation and Reduction Services**
From: City Manager
Recommendation: Adopt a Resolution authorizing the City Manager to amend contract No. 32500210 with Pacific Site Management for as-needed vegetation management, increasing the amount by \$300,000 for an amended total amount not to exceed \$900,000.
Financial Implications: See report
Contact: Scott Ferris, Parks, Recreation and Waterfront, (510) 981-6700

Consent Calendar

19. **Authorize the City Manager to Accept Metropolitan Transportation Commission Transit Oriented Communities (TOC) Planning Grant**
From: City Manager
Recommendation: Adopt a Resolution authorizing the City Manager to accept the Metropolitan Transportation Commission Transit Oriented Communities (MTC TOC) grant in the amount of \$400,000 for the Ashby BART Station Access Plan.
Financial Implications: None
Contact: Jordan Klein, Planning and Development, (510) 981-7400
20. **Authorization for Additional Civic Arts Commission Meeting in 2025**
From: Civic Arts Commission
Recommendation: Adopt a Resolution for one additional meeting of the Civic Arts Commission in 2025.
Financial Implications: None
Contact: Jennifer Lovvorn, Commission Secretary, (510) 981-7530
21. **Re-Appointment of Glenn Turner to the Mental Health Commission for the City of Berkeley**
From: Mental Health Commission
Recommendation: Adopt a Resolution re-appointing: Glenn Turner as a representative of the Special Public Interest Category - Family member, to complete her second 3-year term beginning June 25, 2025, and ending June 24, 2028.
Financial Implications: None
Contact: Jamie Works-Wright, Commission Secretary, (510) 981-5400

Council Consent Items

22. **Berkeley High School All Class Reunion: Relinquishment of Council Office Budget Funds to General Fund and Grant of Such Funds**
From: Councilmember O'Keefe (Author), Mayor Ishii (Co-Sponsor), Councilmember Taplin (Co-Sponsor), Councilmember Bartlett (Co-Sponsor)
Recommendation: Adopt a Resolution approving the expenditure of an amount not to exceed \$500 per Councilmember – including \$500 from Mayor Ishii, \$250 from Councilmember O'Keefe, \$250 from Councilmember Taplin, and \$250 from Councilmember Bartlett – to support the Berkeley High School All Class Reunion Committee (BHS ACRC) by way of its fiscal sponsor, the Berkeley Public Schools Fund, with funds relinquished to the City's general fund for this purpose.
Financial Implications: See report
Contact: Shoshana O'Keefe, Councilmember, District 5, (510) 981-7150

Action Calendar

The public may comment on each item listed on the agenda for action. For items moved to the Action Calendar from the Consent Calendar or Information Calendar, persons who spoke on the item during the Consent Calendar public comment period may speak again during the Action Calendar public comment period on the item

Action Calendar

The Presiding Officer will request that persons wishing to speak line up at the podium, or use the "raise hand" function in Zoom, to determine the number of persons interested in speaking at that time. If ten or fewer persons are interested in speaking on an individual agenda item, each speaker may speak for two minutes. If there are more than ten persons interested in speaking, the Presiding Officer may limit the public comment for all speakers to one minute per speaker. Speakers are permitted to yield their time to one other speaker, however no one speaker shall have more than four minutes. The Presiding Officer may, with the consent of persons representing both sides of an issue, allocate a block of time to each side to present their issue.

Action items may be reordered at the discretion of the Chair with the consent of Council.

The Presiding Officer may open and close an additional comment period for Action items on this agenda (excluding any public hearings, appeals, and/or quasi-judicial matters), at the start of the Action Calendar. Those who speak on an item during this comment period may not speak a second time when the item is taken up by Council.

Action Calendar – Public Hearings

Staff shall introduce the public hearing item and present their comments. For certain hearings, this is followed by five-minute presentations each by first the appellant and then the applicant. The Presiding Officer will request that persons wishing to speak line up at the podium, or use the "raise hand" function in Zoom, to be recognized and to determine the number of persons interested in speaking at that time.

If ten or fewer persons are interested in speaking during a public hearing, each speaker may speak for two minutes. If there are more than ten persons interested in speaking, the Presiding Officer may limit the public comment for all speakers to one minute per speaker. Speakers are permitted to yield their time to one other speaker, however no one speaker shall have more than four minutes. The Presiding Officer may with the consent of persons representing both sides of an issue allocate a block of time to each side to present their issue.

When applicable, each member of the City Council shall verbally disclose all ex parte contacts concerning the subject of the hearing. Councilmembers shall also submit a report of such contacts in writing prior to the commencement of the hearing. Written reports shall be available for public review in the office of the City Clerk.

23. Re-Establishment of the Berkeley Tourism Business Improvement District From: City Manager

Recommendation:

1. Conduct a public hearing on the renewal of the Berkeley Tourism Business Improvement District (BTBID) for 10 years starting July 1, 2025.
2. Conduct a public hearing on the modification of the existing BTBID to end on June 30, 2025, shortening the existing BTBID's term from ten (10) years to eight (8) years thus modifying the existing BTBID Management District Plan.

Upon conclusion, declare results of the majority protest proceedings and adopt a Resolution to Re-Establish (renew) the Berkeley Tourism Business Improvement District (BTBID) for a term of ten (10) years, and adopt a Resolution to modify the term of the existing BTBID to coincide with the renewal/reestablishment of the BTBID.

Financial Implications: See report

Contact: Eleanor Hollander, Economic Development, (510) 981-7530

Action Calendar – Public Hearings

- 24. FY 2026 Proposed Budget Update Adoption**
From: City Manager
Recommendation: Conduct a public hearing and upon conclusion adopt a Resolution adopting the FY 2026 Proposed Budget Update ("FY 26 Proposed Budget") as presented to Council on May 20, 2025, and as amended by subsequent Council action.
Financial Implications: See report
Contact: Shana Amenaghawon, City Manager's Office, (510) 981-7000

Action Calendar – New Business

- 25. FY 2026 Annual Appropriations Ordinance**
From: City Manager
Recommendation: Adopt first reading of an Ordinance adopting the FY 2026 Annual Appropriations Ordinance (AAO) in the amount of \$781,761,995 (gross appropriations) and \$670,920,315 (net appropriations).
Financial Implications: See report
Contact: Paul Buddenhagen, City Manager, (510) 981-7000
- 26. Borrowing of Funds and the Sale and Issuance of FY 2025-26 Tax and Revenue Anticipation Notes**
From: City Manager
Recommendation: Adopt a Resolution approving the borrowing of Not to Exceed (NTE) \$61,000,000 and the sale and issuance of Fiscal Year 2025-26 Tax and Revenue Anticipation Notes.
Financial Implications: See report
Contact: Henry Oyekanmi, Finance, (510) 981-7300

Information Reports

- 27. Voluntary Time Off Program for Fiscal Year 2026**
From: City Manager
Contact: David White, City Manager's Office, (510) 981-7000
- 28. FY 2025 Third Quarter Investment Report: Ended March 31, 2025**
From: City Manager
Contact: Henry Oyekanmi, Finance, (510) 981-7300
- 29. FY 2025 Second Quarter Investment Report: Ended December 31, 2024**
From: City Manager
Contact: Henry Oyekanmi, Finance, (510) 981-7300
- 30. State of Public Health in Berkeley Summary Report**
From: City Manager
Contact: Scott Gilman, Health, Housing, and Community Services, (510) 981-5400

Public Comment – Items Not Listed on the Agenda

Adjournment

NOTICE CONCERNING YOUR LEGAL RIGHTS: *If you object to a decision by the City Council to approve or deny a use permit or variance for a project the following requirements and restrictions apply: 1) No lawsuit challenging a City decision to deny (Code Civ. Proc. §1094.6(b)) or approve (Gov. Code 65009(c)(5)) a use permit or variance may be filed more than 90 days after the date the Notice of Decision of the action of the City Council is mailed. Any lawsuit not filed within that 90-day period will be barred. 2) In any lawsuit that may be filed against a City Council decision to approve or deny a use permit or variance, the issues and evidence will be limited to those raised by you or someone else, orally or in writing, at a public hearing or prior to the close of the last public hearing on the project.*

Archived indexed video streams are available at:

<https://berkeleyca.gov/your-government/city-council/city-council-agendas>.

Channel 33 rebroadcasts the following Wednesday at 9:00 a.m. and Sunday at 9:00 a.m.

Communications to the 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 to the City Clerk Department at 2180 Milvia Street. 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 Department for further information.

Any writings or documents provided to a majority of the City Council regarding any item on this agenda will be made available for public inspection at the public counter at the City Clerk Department located on the first floor of City Hall located at 2180 Milvia Street, and through the City's online records portal: <https://records.cityofberkeley.info/>.

Agendas, agenda reports, and revised/supplemental material may be accessed via the online agenda for this meeting at:

<https://berkeleyca.gov/your-government/city-council/city-council-agendas>

and may be accessed at reference desks at the following locations:

City Clerk Department - 2180 Milvia Street, First Floor
Tel: 510-981-6900, TDD: 510-981-6903, Fax: 510-981-6901
Email: clerk@berkeleyca.gov

Libraries: Main – 2090 Kittredge Street,
Claremont Branch – 2940 Benvenue, West Branch – 1125 University,
North Branch – 1170 The Alameda, Tarea Hall Pittman South Branch – 1901 Russell

COMMUNICATION ACCESS INFORMATION:

This meeting is being held in a wheelchair accessible location.

To request a disability-related accommodation(s) to participate in the meeting, including auxiliary aids or services, please contact the Disability Services specialist at ada@berkeleyca.gov, (510) 981-6418 (V), or (510) 981-6347 (TDD) at least three business days before the meeting date.

Attendees at public meetings are reminded that other attendees may be sensitive to various scents, whether natural or manufactured, in products and materials. Please help the City respect these needs.



Captioning services are provided at the meeting, on B-TV, and on the Internet. In addition, assisted listening devices for the hearing impaired are available from the City Clerk prior to the meeting, and are to be returned before the end of the meeting.

Questions regarding public participation may be addressed to the City Clerk Department (510) 981-6900 or by email at clerk@berkeleyca.gov.

~~~~~  
***I hereby certify that the agenda for this meeting 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 June 19, 2025.***

Mark Numainville, City Clerk

## **Communications**

*Council rules limit action on Communications to referral to the City Manager and/or Boards and Commissions for investigation and/or recommendations. All communications submitted to Council are public record. Copies of individual communications are available for viewing at the City Clerk Department and through [Records Online](#).*

### **Unhoused Concern**

1. Heike Helmer
2. Summer Brenner
3. Leonard Pitt

### **Encampments**

4. Nigel
5. Tom Parrish
6. Susie Medak
7. M B
8. Beth Roessner
9. Julie Rodrigues Widholm
10. Marc Steyer
11. JJ Noire
12. Sylvia
13. James Mcfadden
14. Elana Auerbach

### **10<sup>th</sup> and Harrison**

15. Gael Alcock (2)

**Lithium Ion Batteries**

16. Cindy Larson

**Parking Restriction Concerns**

17. Leah Mazel-Gee

**Violence Concern**

18. Allen Mayer

19. Helane Wahbeh

20. Irene Chung

21. Noura Khouri

22. Vish Soroushian

**Green Waste Bags**

23. Judy Gonzalez-Masih

**SafeBears Mission**

24. Lisa McSeveney

**Convenience Fee**

25. Peter Goldreyer

**1048 Use Permit #ZP2024-0014**

26. Bahram Gangei

**Town Hall Type of Debate**

27. Fredda Cassidy

**Safe Amtrak Boarding Platform**

28. Tracy Rosenberg

**Ohlone Park**

29. Daniel Cutter

30. Chris Hall

31. Matan Gilbert

32. Rinda Wardle

33. Stephen Sperber

34. Margaret Rowland

35. Barbara Fisher

36. Mat Glaser

**E-Scooters**

37. Robert Borghese (3)

38. Stephanie Landry (2)

### **Middle East Conflict**

39. Helene B

### **Thank You for the Statement**

40. Stefanie and William Guyunn

41. Dorothea Dorenz

42. Vicki Sommer

43. Susanne (Sanne) DeWitt

44. Yael Galinson

### **Oxford for All**

45. Michael Frantz

### **URL's**

46. Russbumper

### **Supplemental Communications and Reports**

*Items received by the deadlines for submission will be compiled and distributed as follows. If no items are received by the deadline, no supplemental packet will be compiled for said deadline.*

- **Supplemental Communications and Reports 1**  
Available by 5:00 p.m. five days prior to the meeting.
- **Supplemental Communications and Reports 2**  
Available by 5:00 p.m. the day before the meeting.
- **Supplemental Communications and Reports 3**  
Available by 5:00 p.m. two days following the meeting.



ORDINANCE NO. 7,962- N.S.

SETTING THE FY 2026 MUNICIPAL TAX RATE FOR THE CITY OF BERKELEY FOR BUSINESS LICENSE TAX ON LARGE NON-PROFITS

BE IT ORDAINED by the Council of the City of Berkeley as follows:

Section 1. The rate of tax for the FY 2026 business license tax on large non-profits is as follows:

\$0.8736 per square foot of improvements over 120,000 square feet

Section 2. This tax rate will result in estimated total collections of \$636,329.

Section 3. This Ordinance shall take effect and be in full force from and after its final passage.

Section 4. Copies of this Ordinance shall be posted for two days prior to adoption in the display case located near the walkway in front of the Maudelle Shirek Building, 2134 Martin Luther King Jr. Way. Within 15 days of adoption, copies of this Ordinance shall be filed at each branch of the Berkeley Public Library and the title shall be published in a newspaper of general circulation.

At a regular meeting of the Council of the City of Berkeley held on June 17, 2025, this Ordinance was passed to print and ordered published by posting by the following vote:

Ayes: Bartlett, Blackaby, Humbert, Kesarwani, Lunaparra, O’Keefe, Taplin, Tregub, and Ishii.

Noes: None.

Absent: None.



ORDINANCE NO. 7,963-N.S.

SETTING THE FISCAL YEAR 2026 TAX RATE FOR FUNDING THE DEBT SERVICE ON THE STREET AND WATERSHED IMPROVEMENTS GENERAL OBLIGATION BONDS (MEASURE M, NOVEMBER 2012 ELECTION) IN THE CITY OF BERKELEY

BE IT ORDAINED by the Council of the City of Berkeley as follows:

Section 1. The FY 2026 tax rate for debt service on the General Obligation Bonds is set at 0.0050%.

Section 2. The Tax Rate will be based on the estimated assessed values for all rolls (secured, unsecured, and utility) and will become a part of the FY 2026 property tax bill.

Section 3. This Tax Rate will result in estimated total collections of \$1,525,000 needed to make the March 1, 2026 and September 1, 2026 debt service payments on the outstanding General Obligation Bonds.

Section 4. Copies of this Ordinance shall be posted for two days prior to adoption in the display case located near the walkway in front of the Maudelle Shirek Building, 2134 Martin Luther King Jr. Way. Within 15 days of adoption, copies of this Ordinance shall be filed at each branch of the Berkeley Public Library and the title shall be published in a newspaper of general circulation.

At a regular meeting of the Council of the City of Berkeley held on June 17, 2025, this Ordinance was passed to print and ordered published by posting by the following vote:

Ayes: Bartlett, Blackaby, Humbert, Kesarwani, Lunaparra, O’Keefe, Taplin, Tregub, and Ishii.

Noes: None.

Absent: None.



ORDINANCE NO. 7,964-N.S.

SETTING THE FY 2026 TAX RATE FOR FUNDING THE DEBT SERVICE ON THE 2015 REFUNDING GENERAL OBLIGATION BONDS

BE IT ORDAINED by the Council of the City of Berkeley as follows:

Section 1. The FY 2026 tax rate for the debt service on the 2015 Refunding General Obligation Bonds - Measures G, S and I (General Obligation Bonds - Elections of 1992, 1996 and 2002) at 0.0090%.

Section 2. The Tax Rate will be based on estimated assessed values for all rolls (secured, unsecured, and utility) and will become a part of the FY 2026 property tax bill.

Section 3. This Tax Rate will result in estimated total collections of \$2,750,000. needed to make the March 1, 2026 and September 1, 2026 debt service payments on Refunding General Obligation Bonds.

Section 4. Copies of this Ordinance shall be posted for two days prior to adoption in the display case located near the walkway in front of the Maudelle Shirek Building, 2134 Martin Luther King Jr. Way. Within 15 days of adoption, copies of this Ordinance shall be filed at each branch of the Berkeley Public Library and the title shall be published in a newspaper of general circulation.

At a regular meeting of the Council of the City of Berkeley held on June 17, 2025, this Ordinance was passed to print and ordered published by posting by the following vote:

Ayes: Bartlett, Blackaby, Humbert, Kesarwani, Lunaparra, O’Keefe, Taplin, Tregub, and Ishii.

Noes: None.

Absent: None.



ORDINANCE NO. 7,965-N.S.

SETTING THE FISCAL YEAR 2026 SPECIAL TAX RATE TO FUND THE PROVISION OF EMERGENCY MEDICAL SERVICES FOR THE CITY OF BERKELEY

BE IT ORDAINED by the Council of the City of Berkeley as follows:

Section 1. The FY 2026 Tax Rate for Emergency Medical Services is set at \$0.0474 per square foot of taxable improvements.

Section 2. The cost to taxpayers during FY 2026 will be \$56.88 for a 1,200 square foot home and \$142.20 for a 3,000 square foot home.

Section 3. This tax rate will result in estimated total collections of \$4,004,684.

Section 4. Copies of this Ordinance shall be posted for two days prior to adoption in the display case located near the walkway in front of the Maudelle Shirek Building, 2134 Martin Luther King Jr. Way. Within 15 days of adoption, copies of this Ordinance shall be filed at each branch of the Berkeley Public Library and the title shall be published in a newspaper of general circulation.

At a regular meeting of the Council of the City of Berkeley held on June 17, 2025, this Ordinance was passed to print and ordered published by posting by the following vote:

Ayes: Bartlett, Blackaby, Humbert, Kesarwani, Lunaparra, O’Keefe, Taplin, Tregub, and Ishii.

Noes: None.

Absent: None.



ORDINANCE NO. 7,966-N.S.

SETTING THE FISCAL YEAR 2026 SPECIAL TAX RATE TO FUND THE SUSTAINABLE AND ACCOUNTABLE FUNDING FOR EQUITABLE STREET TRANSFORMATION, REVITALIZATION, ENHANCEMENTS, AND ESSENTIAL TRAFFIC SAFETY (SAFE STREETS) INITIATIVE, MEASURE FF

BE IT ORDAINED by the Council of the City of Berkeley as follows:

Section 1. The rate of tax for FY 2026 (to cover an 18-month period of time), to provide for the costs incurred for the funding street and sidewalk repairs, safety improvements, and environmental infrastructure projects (Measure FF) is hereby fixed and apportioned upon the square feet of improvements as defined in the Ordinance as follows:

\$0.17 per square foot of dwelling unit improvements and \$0.25 per square foot for industrial, commercial, and institutional building improvements (Non-Residential).

Section 2. The cost to taxpayers during FY 2025 and FY 2026 will be \$306 for a 1,200 square foot dwelling and \$765 for a 3,000 square foot dwelling. For other non-residential properties, during FY 2025 and FY 2026, the cost will be \$450 for a 1,200 square foot dwelling and \$1,125 for a 3,000 square foot dwelling.

Section 3. This tax rate will result in estimated total collection of \$22.5 million over 18 months.

Section 4. Copies of this Ordinance shall be posted for two days prior to adoption in the display case located near the walkway in front of the Maudelle Shirek Building, 2134 Martin Luther King Jr. Way. Within 15 days of adoption, copies of this Ordinance shall be filed at each branch of the Berkeley Public Library and the title shall be published in a newspaper of general circulation.

At a regular meeting of the Council of the City of Berkeley held on June 17, 2025, this Ordinance was passed to print and ordered published by posting by the following vote:

Ayes: Bartlett, Blackaby, Humbert, Kesarwani, Lunaparra, O’Keefe, Taplin, Tregub, and Ishii.

Noes: None.

Absent: None.



ORDINANCE NO. 7,967-N.S.

SETTING THE FISCAL YEAR 2026 SPECIAL TAX RATE TO FUND MAINTENANCE OF PARKS, CITY TREES AND LANDSCAPING IN THE CITY OF BERKELEY

BE IT ORDAINED by the Council of the City of Berkeley as follows:

Section 1. The FY 2026 Tax Rate for the maintenance of parks, City trees and landscaping is set at \$0.2652 per square foot of taxable improvements.

Section 2. The cost to the taxpayer during FY 2026 will be \$318.24 for a 1,200 square foot home and \$795.60 for a 3,000 square foot home.

Section 3. This Tax Rate will result in estimated total collections of \$22,467,865.

Section 4. The tax imposed by this ordinance does not apply to any property owner whose total personal income, from all sources for the previous calendar year, does not exceed that level which shall constitute a very low income, as established by resolution of City Council.

Section 5. Copies of this Ordinance shall be posted for two days prior to adoption in the display case located near the walkway in front of the Maudelle Shirek Building, 2134 Martin Luther King Jr. Way. Within 15 days of adoption, copies of this Ordinance shall be filed at each branch of the Berkeley Public Library and the title shall be published in a newspaper of general circulation.

At a regular meeting of the Council of the City of Berkeley held on June 17, 2025, this Ordinance was passed to print and ordered published by posting by the following vote:

Ayes: Bartlett, Blackaby, Humbert, Kesarwani, Lunaparra, O’Keefe, Taplin, Tregub, and Ishii.

Noes: None.

Absent: None.



ORDINANCE NO. 7,968-N.S.

SETTING THE FISCAL YEAR 2026 TAX RATE FOR FUNDING THE DEBT SERVICE ON THE AFFORDABLE HOUSING GENERAL OBLIGATION BONDS (MEASURE O, NOVEMBER 2018 ELECTION) IN THE CITY OF BERKELEY

BE IT ORDAINED by the Council of the City of Berkeley as follows:

Section 1. The FY 2026 tax rate for debt service on the General Obligation Bonds is set at 0.0200%.

Section 2. The Tax Rate will be based on the estimated assessed values for all rolls (secured, unsecured, and utility) and will become a part of the FY 2026 property tax bill.

Section 3. This Tax Rate will result in estimated total collections of \$6,150,000 needed to make the March 1, 2026 and September 1, 2026 debt service payments on the outstanding General Obligation Bonds.

Section 4. Copies of this Ordinance shall be posted for two days prior to adoption in the display case located near the walkway in front of the Maudelle Shirek Building, 2134 Martin Luther King Jr. Way. Within 15 days of adoption, copies of this Ordinance shall be filed at each branch of the Berkeley Public Library and the title shall be published in a newspaper of general circulation.

At a regular meeting of the Council of the City of Berkeley held on June 17, 2025, this Ordinance was passed to print and ordered published by posting by the following vote:

Ayes: Bartlett, Blackaby, Humbert, Kesarwani, Lunaparra, O’Keefe, Taplin, Tregub, and Ishii.

Noes: None.

Absent: None.



ORDINANCE NO. 7,969-N.S.

SETTING THE FISCAL YEAR 2026 TAX RATE FOR FUNDING THE DEBT SERVICE ON THE INFRASTRUCTURE AND FACILITIES IMPROVEMENTS GENERAL OBLIGATION BONDS (MEASURE T1, NOVEMBER 2016 ELECTION) IN THE CITY OF BERKELEY

BE IT ORDAINED by the Council of the City of Berkeley as follows:

Section 1. The FY 2026 tax rate for debt service on the General Obligation Bonds is set at 0.0110%.

Section 2. The Tax Rate will be based on the estimated assessed values for all rolls (secured, unsecured, and utility) and will become a part of the FY 2026 property tax bill.

Section 3. This Tax Rate will result in estimated total collections of \$3,400,000 needed to make the March 1, 2026 and September 1, 2026 debt service payments on the proposed General Obligation Bonds.

Section 4. Copies of this Ordinance shall be posted for two days prior to adoption in the display case located near the walkway in front of the Maudelle Shirek Building, 2134 Martin Luther King Jr. Way. Within 15 days of adoption, copies of this Ordinance shall be filed at each branch of the Berkeley Public Library and the title shall be published in a newspaper of general circulation.

At a regular meeting of the Council of the City of Berkeley held on June 17, 2025, this Ordinance was passed to print and ordered published by posting by the following vote:

Ayes: Bartlett, Blackaby, Humbert, Kesarwani, Lunaparra, O’Keefe, Taplin, Tregub, and Ishii.

Noes: None.

Absent: None.





ORDINANCE NO. 7,970-N.S.

SETTING THE FY 2026 TAX RATE FOR FUNDING THE DEBT SERVICE ON THE NEIGHBORHOOD BRANCH LIBRARY IMPROVEMENTS PROJECT GENERAL OBLIGATION BONDS (MEASURE FF, NOVEMBER 2008 ELECTION) IN THE CITY OF BERKELEY

BE IT ORDAINED by the Council of the City of Berkeley as follows:

Section 1. The FY 2026 tax rate for the debt service on the General Obligation Bonds is set at 0.0040%.

Section 2. The Tax Rate will be based on the estimated assessed values for all rolls (secured, unsecured, and utility) and will become a part of the FY 2026 property tax bill.

Section 3. This Tax Rate will result in estimated total collections of \$1,250,000 needed to make the March 1, 2026 and September 1, 2026 debt service payments on the outstanding General Obligation Bonds.

Section 4. Copies of this Ordinance shall be posted for two days prior to adoption in the display case located near the walkway in front of the Maudelle Shirek Building, 2134 Martin Luther King Jr. Way. Within 15 days of adoption, copies of this Ordinance shall be filed at each branch of the Berkeley Public Library and the title shall be published in a newspaper of general circulation.

At a regular meeting of the Council of the City of Berkeley held on June 17, 2025, this Ordinance was passed to print and ordered published by posting by the following vote:

Ayes: Bartlett, Blackaby, Humbert, Kesarwani, Lunaparra, O’Keefe, Taplin, Tregub, and Ishii.

Noes: None.

Absent: None.



ORDINANCE NO. 7,971-N.S.

SETTING THE FISCAL YEAR 2026 SPECIAL TAX RATE TO FUND EMERGENCY SERVICES FOR THE SEVERELY DISABLED IN THE CITY OF BERKELEY

BE IT ORDAINED by the Council of the City of Berkeley as follows:

Section 1. The FY 2026 Tax Rate to fund emergency services for severely disabled persons is set at \$0.02229 per square feet of improvements.

Section 2. The cost to taxpayers during FY 2026 will be \$26.75 for a 1,200 square foot home and \$66.87 for a 3,000 square foot home.

Section 3. This tax rate will result in estimated total collections of \$1,882,839.

Section 4. Copies of this Ordinance shall be posted for two days prior to adoption in the display case located near the walkway in front of the Maudelle Shirek Building, 2134 Martin Luther King Jr. Way. Within 15 days of adoption, copies of this Ordinance shall be filed at each branch of the Berkeley Public Library and the title shall be published in a newspaper of general circulation.

At a regular meeting of the Council of the City of Berkeley held on June 17, 2025, this Ordinance was passed to print and ordered published by posting by the following vote:

Ayes: Bartlett, Blackaby, Humbert, Kesarwani, Lunaparra, O’Keefe, Taplin, Tregub, and Ishii.

Noes: None.

Absent: None.



ORDINANCE NO. 7,972-N.S.

SETTING THE FISCAL YEAR 2026 SPECIAL TAX RATE TO FUND THE PROVISION OF LIBRARY RELIEF ACT OF 2024 IN THE CITY OF BERKELEY

BE IT ORDAINED by the Council of the City of Berkeley as follows:

Section 1. The FY 2026 Tax Rate to support usual and current expenses of operating library services is set at \$0.06 per square foot for dwelling units and \$0.09 per square foot for industrial, commercial and institutional buildings.

Section 2. The cost to taxpayers during FY 2026 will be \$90.00 for a 1,500 square foot dwelling and \$135.00 for all other property of similar size.

Section 3. This tax rate will result in estimated total collections of \$5,600,000.

Section 4. The tax imposed by this ordinance does not apply to any property owner whose total personal income, from all sources for the previous calendar year, does not exceed that level which shall constitute a very low income, as established by resolution of City Council.

Section 5. Copies of this Ordinance shall be posted for two days prior to adoption in the display case located near the walkway in front of Old City Hall, 2134 Martin Luther King Jr. Way. Within 15 days of adoption, copies of this Ordinance shall be filed at each branch of the Berkeley Public Library and the title shall be published in a newspaper of general circulation.

At a regular meeting of the Council of the City of Berkeley held on June 17, 2025, this Ordinance was passed to print and ordered published by posting by the following vote:

Ayes: Bartlett, Blackaby, Humbert, Kesarwani, Lunaparra, O’Keefe, Taplin, Tregub, and Ishii.

Noes: None.

Absent: None.





ORDINANCE NO. 7,973-N.S.

SETTING THE FISCAL YEAR 2026 SPECIAL TAX RATE TO FUND LIBRARY SERVICES TAX IN THE CITY OF BERKELEY

BE IT ORDAINED by the Council of the City of Berkeley as follows:

Section 1. The FY 2026 Tax Rate to support usual and current expenses of operating library services is set at \$0.2980 per square foot for dwelling units and \$0.4506 per square foot for industrial, commercial and institutional buildings.

Section 2. The cost to taxpayers during FY 2026 will be \$447.00 for a 1,500 square foot dwelling and \$675.90 for all other property of similar size.

Section 3. This tax rate will result in estimated total collections of \$28,150,804.

Section 4. The tax imposed by this ordinance does not apply to any property owner whose total personal income, from all sources for the previous calendar year, does not exceed that level which shall constitute a very low income, as established by resolution of City Council.

Section 5. Copies of this Ordinance shall be posted for two days prior to adoption in the display case located near the walkway in front of the Maudelle Shirek Building, 2134 Martin Luther King Jr. Way. Within 15 days of adoption, copies of this Ordinance shall be filed at each branch of the Berkeley Public Library and the title shall be published in a newspaper of general circulation.

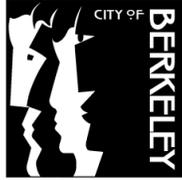
At a regular meeting of the Council of the City of Berkeley held on June 17, 2025, this Ordinance was passed to print and ordered published by posting by the following vote:

Ayes: Bartlett, Blackaby, Humbert, Kesarwani, Lunaparra, O’Keefe, Taplin, Tregub, and Ishii.

Noes: None.

Absent: None.





## AGENDA

### BERKELEY CITY COUNCIL MEETING

Tuesday, June 24, 2025

6:00 PM

SCHOOL DISTRICT BOARD ROOM - 1231 ADDISON STREET, BERKELEY, CA 94702

TELECONFERENCE LOCATION - 18315 RAY'S RD - CABIN 5, PHILO, CA 95466

TELECONFERENCE LOCATION - 1140 PAGE STREET, BERKELEY, CA 94702

ADENA ISHII, MAYOR

Councilmembers:

DISTRICT 1 – RASHI KESARWANI  
DISTRICT 2 – TERRY TAPLIN  
DISTRICT 3 – BEN BARTLETT  
DISTRICT 4 – IGOR TREGUB

DISTRICT 5 – SHOSHANA O'KEEFE  
DISTRICT 6 – BRENT BLACKABY  
DISTRICT 7 – CECILIA LUNAPARRA  
DISTRICT 8 – MARK HUMBERT

*This meeting will be conducted in a hybrid model with both in-person attendance and virtual participation. Live captioned broadcasts of Council meetings are available on B-TV (Channel 33) and via internet video stream at [http://berkeley.granicus.com/MediaPlayer.php?publish\\_id=1244](http://berkeley.granicus.com/MediaPlayer.php?publish_id=1244). All Council meetings are recorded.*

*To access the meeting remotely use this URL: <https://cityofberkeley-info.zoomgov.com/j/1605843840> To request to speak, use the “raise hand” function in Zoom. To join by phone: Dial **1-669-254-5252** or **1-833-568-8864 (Toll Free)** and enter **Meeting ID: 160 584 3840**. To provide public comment, Press \*9 and wait to be recognized by the Chair. To submit a written communication for the public record, email [council@berkeleyca.gov](mailto:council@berkeleyca.gov).*

*This meeting will be conducted in accordance with the Brown Act, Government Code Section 54953. Any member of the public may attend this meeting, however, if you are feeling sick, please do not attend the meeting in person. The City Council may take action related to any subject listed on the Agenda.*

*Pursuant to the City Council Rules of Procedure and State Law, the presiding officer may remove, or cause the removal of, an individual for disrupting the meeting. Prior to removing an individual, the presiding officer shall warn the individual that their behavior is disrupting the meeting and that their failure to cease their behavior may result in their removal. The presiding officer may then remove the individual if they do not promptly cease their disruptive behavior. “Disrupting” means engaging in behavior during a meeting of a legislative body that actually disrupts, disturbs, impedes, or renders infeasible the orderly conduct of the meeting and includes, but is not limited to, a failure to comply with reasonable and lawful regulations adopted by a legislative body, or engaging in behavior that constitutes use of force or a true threat of force.*

**Government Code Section 84308 (Levine Act)** - Parties to a proceeding involving a license, permit, or other entitlement for use are required to disclose if they made contributions over \$500 within the prior 12 months to any City employee or officer. Parties and participants with a financial interest are prohibited from making more than \$500 in contributions to a decisionmaker for the 12 months after the final decision is rendered on the proceeding. The above contribution disclosures and restrictions do not apply when the proceeding is competitively bid, or involves a personnel or labor contract. For more information, see Government Code Section 84308.

## Preliminary Matters

### Roll Call:

**Land Acknowledgement Statement:** *The City of Berkeley recognizes that the community we live in was built on the territory of xučyun (Huchiun (Hooch-yoon)), the ancestral and unceded land of the Chochenyo (Cho-chen-yo)-speaking Ohlone (Oh-low-nee) people, the ancestors and descendants of the sovereign Verona Band of Alameda County. This land was and continues to be of great importance to all of the Ohlone Tribes and descendants of the Verona Band. As we begin our meeting tonight, we acknowledge and honor the original inhabitants of Berkeley, the documented 5,000-year history of a vibrant community at the West Berkeley Shellmound, and the Ohlone people who continue to reside in the East Bay. We recognize that Berkeley's residents have and continue to benefit from the use and occupation of this unceded stolen land since the City of Berkeley's incorporation in 1878. As stewards of the laws regulating the City of Berkeley, it is not only vital that we recognize the history of this land, but also recognize that the Ohlone people are present members of Berkeley and other East Bay communities today. The City of Berkeley will continue to build relationships with the Lisjan Tribe and to create meaningful actions that uphold the intention of this land acknowledgement.*

**Ceremonial Matters:** *In addition to those items listed on the agenda, the Mayor may add additional ceremonial matters.*

1. Adjourn in memory of Marie Gunter, Sustainability Advocate
2. Adjourn in memory of John George Leitmann, UC Berkeley Professor

**City Manager Comments:** *The City Manager may make announcements or provide information to the City Council in the form of an oral report. The Council will not take action on such items but may request the City Manager place a report on a future agenda for discussion.*

**Public Comment on Non-Agenda Matters:** *Up to ten persons will be selected to address matters not on the Council agenda. If five or fewer persons are identified to provide non-agenda comment, each person selected will be allotted two minutes each. If more than five persons are selected to address matters not on the Council agenda, each person selected will be allotted one minute each.*

*In-person attendees wishing to address the Council on matters not on the Council agenda during the initial ten-minute period for such comment, must submit a speaker card to the City Clerk in person at the meeting location and prior to the moment that the Presiding Officer calls for public comment on non-agenda items. Remote attendees must raise their hand in the videoconference application when the Presiding Officer calls for non-agenda speakers. The first five raised hands on the videoconference application will be selected to speak and the first five cards drawn at the meeting will be selected to speak. The number of in-person and remote speakers selected may be adjusted by the Presiding Officer if fewer than five speakers from either format are identified.*

*The remainder of the speakers wishing to address the Council on non-agenda items will be heard at the end of the agenda.*

**Public Comment by Employee Unions (first regular meeting of the month):** *This period of public comment is reserved for officially designated representatives of City of Berkeley employee unions, with five minutes allocated per union if representatives of three or fewer unions wish to speak and up to three minutes per union if representatives of four or more unions wish to speak.*

## Consent Calendar

*The Council will first determine whether to move items on the agenda for “Action” or “Information” to the “Consent Calendar”, or move “Consent Calendar” items to “Action.” Three members of the City Council must agree to pull an item from the Consent Calendar or Information Calendar for it to move to Action. Items that remain on the “Consent Calendar” are voted on in one motion as a group. “Information” items are not discussed or acted upon at the Council meeting unless they are moved to “Action” or “Consent”.*

*No additional items can be moved onto the Consent Calendar once public comment has commenced. At any time during, or immediately after, public comment on Information and Consent items, any Councilmember may move any Information or Consent item to “Action.” Following this, the Council will vote on the items remaining on the Consent Calendar in one motion.*

*For items moved to the Action Calendar from the Consent Calendar or Information Calendar, persons who spoke on the item during the Consent Calendar public comment period may speak again at the time the matter is taken up during the Action Calendar.*

**Public Comment on Consent Calendar and Information Items Only:** *The Council will take public comment on any items that are either on the amended Consent Calendar or the Information Calendar. If ten or fewer persons are interested in speaking on an individual agenda item, each speaker may speak for two minutes. If there are more than ten persons interested in speaking, the Presiding Officer may limit the public comment for all speakers to one minute per speaker. Speakers are permitted to yield their time to one other speaker, however no one speaker shall have more than four minutes. The Presiding Officer may, with the consent of persons representing both sides of an issue, allocate a block of time to each side to present their issue. A speaker may only speak once during the period for public comment on Consent Calendar and Information items.*

*Additional information regarding public comment by City of Berkeley employees and interns: Employees and interns of the City of Berkeley, although not required, are encouraged to identify themselves as such, the department in which they work and state whether they are speaking as an individual or in their official capacity when addressing the Council in open session or workshops.*

## Consent Calendar

- 1. Amendments to Ordinance Prohibiting the Sale or Use of Coordinated Pricing Algorithms (BMC 13.63) to Suspend Effective Date Until March 2026**  
**From: City Manager**  
**Recommendation:** Amend the Ordinance Prohibiting the Sale or Use of Coordinated Pricing Algorithms (BMC 13.63) to suspend the effective date until March 1, 2026.  
**Financial Implications:** See report  
Contact: Farimah Brown, City Attorney, (510) 981-6998
- 2. Minutes for Approval**  
**From: City Manager**  
**Recommendation:** Approve the minutes for the Council meetings of May 5, 2025 (special closed), May 6, 2025 (special and regular), May 13, 2025 (special closed), May 20, 2025 (special and regular), May 21, 2025 (special closed), and May 27, 2025 (special closed).  
**Financial Implications:** None  
Contact: Mark Numainville, City Clerk, (510) 981-6900

## Consent Calendar

- 3. Recommendations for County Measure W Funding**  
**From: City Manager**  
**Recommendation:** Send a letter to the Alameda County Board of Supervisors outlining the City Council's priorities for initial rounds of funding from Measure W, a half-cent sales tax increase passed by Alameda County voters in November 2020.  
**Financial Implications:** See report  
Contact: Peter Radu, City Manager's Office, (510) 981-7000
- 4. Contract: Cultural Planning Group, LLC for a Plan for a Resilient Arts & Culture Sector in Berkeley**  
**From: City Manager**  
**Recommendation:** Adopt a Resolution authorizing the City Manager to execute a contract and any necessary amendments with Cultural Planning Group, LLC for an amount not to exceed \$149,980 for the development of a comprehensive plan to support and maintain a Resilient Arts & Culture Sector in Berkeley. The term of the contract will be 18 months.  
**Financial Implications:** See report  
Contact: Eleanor Hollander, Economic Development, (510) 981-7530
- 5. FY 2026 Reaffirming the Investment Policy and Designation of Investment Authority**  
**From: City Manager**  
**Recommendation:** Adopt a Resolution reaffirming the Investment Policy (no revisions are recommended) and to confirm the delegation of investment authority to the Director of Finance to make investments for FY 2026.  
**Financial Implications:** See report  
Contact: Henry Oyekanmi, Finance, (510) 981-7300
- 6. Appropriations Limit for FY 2026**  
**From: City Manager**  
**Recommendation:** Adopt a Resolution establishing the appropriations limit at \$407,546,513 for FY 2026 pursuant to Article XIIB of the Constitution of the State of California based on the calculations for the appropriations limit.  
**Financial Implications:** See report  
Contact: Henry Oyekanmi, Finance, (510) 981-7300
- 7. FY 2026 Tax Rate: Fund Fire Protection and Emergency Response and Preparedness (Measure GG)**  
**From: City Manager**  
**Recommendation:** Adopt first reading of an Ordinance setting the FY 2026 tax rate for funding Fire Protection and Emergency Response and Preparedness in the City of Berkeley at the rate of \$0.06695 (6.695 cents) per square foot of improvements for dwelling units and setting the rate for all other property at \$0.10132 (10.132 cents) per square foot of improvements.  
**Financial Implications:** See report  
Contact: Henry Oyekanmi, Finance, (510) 981-7300

## Consent Calendar

- 8. FY 2026 Tax Rate: Fund Firefighting, Emergency Medical Response and Wildfire Prevention (Measure FF)**  
**From: City Manager**  
**Recommendation:** Adopt first reading of an Ordinance setting the FY 2026 tax rate for funding Firefighting, Emergency Medical Response and Wildfire Prevention (Measure FF) in the City of Berkeley at the annual tax rate of \$0.1299 (12.99 cents) per square foot of improvements.  
**Financial Implications:** See report  
Contact: Henry Oyekanmi, Finance, (510) 981-7300
- 9. Funding Reservation for Resources for Community Development's Maudelle Miller Shirek Community Project**  
**From: City Manager**  
**Recommendation:** Adopt a Resolution: (1) Reserving an additional \$500,000 for Resources for Community Development's (RCD) Maudelle Miller Shirek Community project from the FY25 available Small Sites Program fund balance. (2) Conditioning the funding on RCD providing information to tenants on City rental assistance programs with any nonpayment eviction notices issued at the project. (3) Authorizing the City Manager or designee to execute all original or amended documents or agreements to effectuate this action.  
**Financial Implications:** See report  
Contact: Scott Gilman, Health, Housing, and Community Services, (510) 981-5400
- 10. 2024 Housing Trust Fund Request for Proposals - Funding Reservations**  
**From: City Manager**  
**Recommendation:** Adopt a Resolution to: 1. Reserve \$2,990,000 in funding for Resources for Community Development's Adeline Street Apartments (3224 Adeline Street); 2. Reserve \$2,868,571 in funding for Satellite Affordable Housing Associates' Ashby Lofts (2909 Ninth Street); 3. Authorize the City Manager to refinance existing HTF loans for each project into new loans with terms consistent with the HTF Guidelines; 4. Waive Section IV.C.1 of the Housing Trust Fund Guidelines for projects receiving funds through this Request for Proposals process; 5. Condition the funding on the respective housing developers providing information to tenants on City rental assistance programs with any nonpayment eviction notices issued at these properties; 6. Approve multi-year operating funding contracts for Resources for Community Development and Satellite Affordable Housing Associates, starting Fiscal Year (FY)2025-2026 and ending in FY2029-2030, estimated at up to \$30,000 per organization per year; 7. Authorize City Manager or designee to determine the amount of funding to be awarded to Resources for Community Development and Satellite Affordable Housing Associates annually from FY2026 to FY2030, based on the amount of the City's annual allocation of HOME funds and availability of General Fund match; and 8. Authorize the City Manager or designee to execute all original or amended documents or agreements to effectuate this action.  
**Financial Implications:** See report  
Contact: Scott Gilman, Health, Housing, and Community Services, (510) 981-5400

## Consent Calendar

- 11. Fiscal Year 2025 - Donations for the Berkeley Meals on Wheels Program**  
**From: City Manager**  
**Recommendation:** Adopt a Resolution authorizing the City to accept donations totaling \$8,000 for the Berkeley Meals on Wheels program for fiscal year 2025.  
**Financial Implications:** See report  
Contact: Scott Gilman, Health, Housing, and Community Services, (510) 981-5400
- 12. Shelter Plus Care Program Renewal Grants**  
**From: City Manager**  
**Recommendation:** Adopt a Resolution authorizing the City Manager or designee to receive up to the maximum grant award for the following two Shelter Plus Care grants and to execute any resultant agreements and amendments. a. Alameda County Shelter Plus Care grant in a not-to-exceed amount of \$1,022,704 to provide tenant-based rental assistance to individuals who are chronically homeless and disabled from March 1, 2025, through February 28, 2026; and b. U.S. Department of Housing and Urban Development (HUD) Shelter Plus Care grant in the amount of \$7,305,893 for Supportive Housing Collaborative Project (SHC) for the period September 1, 2025, through August 31, 2026.  
**Financial Implications:** See report  
Contact: Scott Gilman, Health, Housing, and Community Services, (510) 981-5400
- 13. Contract: HR Acuity, LLC for Case Management and Employee Relations Software**  
**From: City Manager**  
**Recommendation:** Adopt a Resolution authorizing the City Manager to execute an amendment to Contract No. 32100046 with HR Acuity, LLC for case management and employee relations software, for a total amount not to exceed \$189,000 and extending the contract term to June 30, 2028.  
**Financial Implications:** See report  
Contact: Janelle Rodrigues, Human Resources, (510) 981-6800
- 14. Contract: Innovative Claim Solutions for Third Party Claims Administration of City's Workers' Compensation Program**  
**From: City Manager**  
**Recommendation:** Adopt a Resolution authorizing the City Manager to execute and implement a contract and any amendments with Innovative Claim Solutions, Inc. (ICS), to provide workers' compensation third-party administrative services in an amount not to exceed \$1,888,570 for the period July 1, 2025, through June 30, 2028.  
**Financial Implications:** See report  
Contact: Janelle Rodrigues, Human Resources, (510) 981-6800

## Consent Calendar

- 15. Contract: Downtown Berkeley YMCA Fitness Center Memberships for City Employees**  
**From: City Manager**  
**Recommendation:** Adopt a Resolution authorizing the City Manager to execute a contract and any amendments with the Downtown Berkeley YMCA in the amount of \$179,136 for fitness center memberships for City employees for the period July 1, 2025, through June 30, 2026.  
**Financial Implications:** See report  
Contact: Janelle Rodrigues, Human Resources, (510) 981-6800
- 16. Contract No. 32500005 Amendment: Accela, Inc. for Environmental Health Software**  
**From: City Manager**  
**Recommendation:** Adopt a Resolution authorizing the City Manager to execute an amendment to Contract No. 32500005 with Accela, Inc. (“Accela”) to increase spending authority by \$90,200 for Environmental Health (“EH”) software for a total amount not to exceed \$1,414,393 for the period of July 1, 2024 to June 30, 2027.  
**Financial Implications:** See report  
Contact: Kevin Fong, Information Technology, (510) 981-6500
- 17. Contract No. 31900174 Amendment: Carahsoft Technology Corporation Using General Services Administration (“GSA”) Schedule for Website Hosting, Software, and Related Services**  
**From: City Manager**  
**Recommendation:** Adopt a Resolution authorizing the City Manager to execute an amendment to Contract No. 31900174 to increase spending authority with Carahsoft Technology Corporation (“Carahsoft”) for website hosting services, core infrastructure software, and related services utilizing pricing established by the GSA, for \$700,000 for a total not to exceed amount of \$2,378,953 for the period May 15, 2019 to June 30, 2027.  
**Financial Implications:** See report  
Contact: Kevin Fong, Information Technology, (510) 981-6500
- 18. Contract No. 32300210 Amendment: Pacific Site Management for On-Call Vegetation and Reduction Services**  
**From: City Manager**  
**Recommendation:** Adopt a Resolution authorizing the City Manager to amend contract No. 32500210 with Pacific Site Management for as-needed vegetation management, increasing the amount by \$300,000 for an amended total amount not to exceed \$900,000.  
**Financial Implications:** See report  
Contact: Scott Ferris, Parks, Recreation and Waterfront, (510) 981-6700

## Consent Calendar

19. **Authorize the City Manager to Accept Metropolitan Transportation Commission Transit Oriented Communities (TOC) Planning Grant**  
**From: City Manager**  
**Recommendation:** Adopt a Resolution authorizing the City Manager to accept the Metropolitan Transportation Commission Transit Oriented Communities (MTC TOC) grant in the amount of \$400,000 for the Ashby BART Station Access Plan.  
**Financial Implications:** None  
Contact: Jordan Klein, Planning and Development, (510) 981-7400
20. **Authorization for Additional Civic Arts Commission Meeting in 2025**  
**From: Civic Arts Commission**  
**Recommendation:** Adopt a Resolution for one additional meeting of the Civic Arts Commission in 2025.  
**Financial Implications:** None  
Contact: Jennifer Lovvorn, Commission Secretary, (510) 981-7530
21. **Re-Appointment of Glenn Turner to the Mental Health Commission for the City of Berkeley**  
**From: Mental Health Commission**  
**Recommendation:** Adopt a Resolution re-appointing: Glenn Turner as a representative of the Special Public Interest Category - Family member, to complete her second 3-year term beginning June 25, 2025, and ending June 24, 2028.  
**Financial Implications:** None  
Contact: Jamie Works-Wright, Commission Secretary, (510) 981-5400

## Council Consent Items

22. **Berkeley High School All Class Reunion: Relinquishment of Council Office Budget Funds to General Fund and Grant of Such Funds**  
**From: Councilmember O'Keefe (Author), Mayor Ishii (Co-Sponsor), Councilmember Taplin (Co-Sponsor), Councilmember Bartlett (Co-Sponsor)**  
**Recommendation:** Adopt a Resolution approving the expenditure of an amount not to exceed \$500 per Councilmember – including \$500 from Mayor Ishii, \$250 from Councilmember O'Keefe, \$250 from Councilmember Taplin, and \$250 from Councilmember Bartlett – to support the Berkeley High School All Class Reunion Committee (BHS ACRC) by way of its fiscal sponsor, the Berkeley Public Schools Fund, with funds relinquished to the City's general fund for this purpose.  
**Financial Implications:** See report  
Contact: Shoshana O'Keefe, Councilmember, District 5, (510) 981-7150

## Action Calendar

*The public may comment on each item listed on the agenda for action. For items moved to the Action Calendar from the Consent Calendar or Information Calendar, persons who spoke on the item during the Consent Calendar public comment period may speak again during the Action Calendar public comment period on the item*

*The Presiding Officer will request that persons wishing to speak line up at the podium, or use the "raise*

## Action Calendar

*hand" function in Zoom, to determine the number of persons interested in speaking at that time. If ten or fewer persons are interested in speaking on an individual agenda item, each speaker may speak for two minutes. If there are more than ten persons interested in speaking, the Presiding Officer may limit the public comment for all speakers to one minute per speaker. Speakers are permitted to yield their time to one other speaker, however no one speaker shall have more than four minutes. The Presiding Officer may, with the consent of persons representing both sides of an issue, allocate a block of time to each side to present their issue.*

*Action items may be reordered at the discretion of the Chair with the consent of Council.*

*The Presiding Officer may open and close an additional comment period for Action items on this agenda (excluding any public hearings, appeals, and/or quasi-judicial matters), at the start of the Action Calendar. Those who speak on an item during this comment period may not speak a second time when the item is taken up by Council.*

## Action Calendar – Public Hearings

*Staff shall introduce the public hearing item and present their comments. For certain hearings, this is followed by five-minute presentations each by first the appellant and then the applicant. The Presiding Officer will request that persons wishing to speak line up at the podium, or use the "raise hand" function in Zoom, to be recognized and to determine the number of persons interested in speaking at that time.*

*If ten or fewer persons are interested in speaking during a public hearing, each speaker may speak for two minutes. If there are more than ten persons interested in speaking, the Presiding Officer may limit the public comment for all speakers to one minute per speaker. Speakers are permitted to yield their time to one other speaker, however no one speaker shall have more than four minutes. The Presiding Officer may with the consent of persons representing both sides of an issue allocate a block of time to each side to present their issue.*

*When applicable, each member of the City Council shall verbally disclose all ex parte contacts concerning the subject of the hearing. Councilmembers shall also submit a report of such contacts in writing prior to the commencement of the hearing. Written reports shall be available for public review in the office of the City Clerk.*

### 23. **Re-Establishment of the Berkeley Tourism Business Improvement District** **From: City Manager**

#### **Recommendation:**

1. Conduct a public hearing on the renewal of the Berkeley Tourism Business Improvement District (BTBID) for 10 years starting July 1, 2025.
2. Conduct a public hearing on the modification of the existing BTBID to end on June 30, 2025, shortening the existing BTBID's term from ten (10) years to eight (8) years thus modifying the existing BTBID Management District Plan.

Upon conclusion, declare results of the majority protest proceedings and adopt a Resolution to Re-Establish (renew) the Berkeley Tourism Business Improvement District (BTBID) for a term of ten (10) years, and adopt a Resolution to modify the term of the existing BTBID to coincide with the renewal/reestablishment of the BTBID.

**Financial Implications:** See report

Contact: Eleanor Hollander, Economic Development, (510) 981-7530

## Action Calendar – Public Hearings

- 24. FY 2026 Proposed Budget Update Adoption**  
**From: City Manager**  
**Recommendation:** Conduct a public hearing and upon conclusion adopt a Resolution adopting the FY 2026 Proposed Budget Update ("FY 26 Proposed Budget") as presented to Council on May 20, 2025, and as amended by subsequent Council action.  
**Financial Implications:** See report  
Contact: Shana Amenaghawon, City Manager's Office, (510) 981-7000

## Action Calendar – New Business

- 25. FY 2026 Annual Appropriations Ordinance**  
**From: City Manager**  
**Recommendation:** Adopt first reading of an Ordinance adopting the FY 2026 Annual Appropriations Ordinance (AAO) in the amount of \$781,761,995 (gross appropriations) and \$670,920,315 (net appropriations).  
**Financial Implications:** See report  
Contact: Paul Buddenhagen, City Manager, (510) 981-7000
- 26. Borrowing of Funds and the Sale and Issuance of FY 2025-26 Tax and Revenue Anticipation Notes**  
**From: City Manager**  
**Recommendation:** Adopt a Resolution approving the borrowing of Not to Exceed (NTE) \$61,000,000 and the sale and issuance of Fiscal Year 2025-26 Tax and Revenue Anticipation Notes.  
**Financial Implications:** See report  
Contact: Henry Oyekanmi, Finance, (510) 981-7300

## Information Reports

- 27. Voluntary Time Off Program for Fiscal Year 2026**  
**From: City Manager**  
Contact: David White, City Manager's Office, (510) 981-7000
- 28. FY 2025 Third Quarter Investment Report: Ended March 31, 2025**  
**From: City Manager**  
Contact: Henry Oyekanmi, Finance, (510) 981-7300
- 29. FY 2025 Second Quarter Investment Report: Ended December 31, 2024**  
**From: City Manager**  
Contact: Henry Oyekanmi, Finance, (510) 981-7300
- 30. State of Public Health in Berkeley Summary Report**  
**From: City Manager**  
Contact: Scott Gilman, Health, Housing, and Community Services, (510) 981-5400

## Public Comment – Items Not Listed on the Agenda

### Adjournment

**NOTICE CONCERNING YOUR LEGAL RIGHTS:** *If you object to a decision by the City Council to approve or deny a use permit or variance for a project the following requirements and restrictions apply: 1) No lawsuit challenging a City decision to deny (Code Civ. Proc. §1094.6(b)) or approve (Gov. Code 65009(c)(5)) a use permit or variance may be filed more than 90 days after the date the Notice of Decision of the action of the City Council is mailed. Any lawsuit not filed within that 90-day period will be barred. 2) In any lawsuit that may be filed against a City Council decision to approve or deny a use permit or variance, the issues and evidence will be limited to those raised by you or someone else, orally or in writing, at a public hearing or prior to the close of the last public hearing on the project.*

Archived indexed video streams are available at:

<https://berkeleyca.gov/your-government/city-council/city-council-agendas>.

Channel 33 rebroadcasts the following Wednesday at 9:00 a.m. and Sunday at 9:00 a.m.

Communications to the 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 to the City Clerk Department at 2180 Milvia Street. 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 Department for further information.

Any writings or documents provided to a majority of the City Council regarding any item on this agenda will be made available for public inspection at the public counter at the City Clerk Department located on the first floor of City Hall located at 2180 Milvia Street, and through the City's online records portal: <https://records.cityofberkeley.info/>.

Agendas, agenda reports, and revised/supplemental material may be accessed via the online agenda for this meeting at:

<https://berkeleyca.gov/your-government/city-council/city-council-agendas>

and may be accessed at reference desks at the following locations:

City Clerk Department - 2180 Milvia Street, First Floor  
Tel: 510-981-6900, TDD: 510-981-6903, Fax: 510-981-6901  
Email: [clerk@berkeleyca.gov](mailto:clerk@berkeleyca.gov)

Libraries: Main – 2090 Kittredge Street,  
Claremont Branch – 2940 Benvenue, West Branch – 1125 University,  
North Branch – 1170 The Alameda, Tarea Hall Pittman South Branch – 1901 Russell

#### COMMUNICATION ACCESS INFORMATION:

This meeting is being held in a wheelchair accessible location.

To request a disability-related accommodation(s) to participate in the meeting, including auxiliary aids or services, please contact the Disability Services specialist at [ada@berkeleyca.gov](mailto:ada@berkeleyca.gov), (510) 981-6418 (V), or (510) 981-6347 (TDD) at least three business days before the meeting date.

Attendees at public meetings are reminded that other attendees may be sensitive to various scents, whether natural or manufactured, in products and materials. Please help the City respect these needs.



Captioning services are provided at the meeting, on B-TV, and on the Internet. In addition, assisted listening devices for the hearing impaired are available from the City Clerk prior to the meeting, and are to be returned before the end of the meeting.

Questions regarding public participation may be addressed to the City Clerk Department (510) 981-6900 or by email at [clerk@berkeleyca.gov](mailto:clerk@berkeleyca.gov).

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I hereby certify that the agenda for this meeting 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 June 12, 2025.

Mark Numainville, City Clerk

Communications

Council rules limit action on Communications to referral to the City Manager and/or Boards and Commissions for investigation and/or recommendations. All communications submitted to Council are public record. Copies of individual communications are available for viewing at the City Clerk Department and through [Records Online](#).

Unhoused Concern

1. Heike Helmer
2. Summer Brenner
3. Leonard Pitt

Encampments

4. Nigel
5. Tom Parrish
6. Susie Medak
7. M B
8. Beth Roessner
9. Julie Rodrigues Widholm
10. Marc Steyer
11. JJ Noire
12. Sylvia
13. James Mcfadden
14. Elana Auerbach

10th and Harrison

15. Gael Alcock (2)

Lithium Ion Batteries

16. Cindy Larson

Parking Restriction Concerns

17. Leah Mazel-Gee

Violence Concern

18. Allen Mayer

19. Helane Wahbeh

20. Irene Chung

21. Noura Khouri

22. Vish Soroushian

Green Waste Bags

23. Judy Gonzalez-Masih

SafeBears Mission

24. Lisa McSeveney

Convenience Fee

25. Peter Goldreyer

1048 Use Permit #ZP2024-0014

26. Bahram Gangei

Town Hall Type of Debate

27. Fredda Cassidy

Safe Amtrak Boarding Platform

28. Tracy Rosenberg

Ohlone Park

29. Daniel Cutter

30. Chris Hall

31. Matan Gilbert

32. Rinda Wardle

33. Stephen Sperber

34. Margaret Rowland

35. Barbara Fisher

36. Mat Glaser

E-Scooters

37. Robert Borghese (3)

38. Stephanie Landry (2)

Middle East Conflict

39. Helene B

Thank You for the Statement

40. Stefanie and William Guyunn

41. Dorothea Dorenz

42. Vicki Sommer

43. Susanne (Sanne) DeWitt

44. Yael Galinson

Oxford for All

45. Michael Frantz

URL's

46. Russbumper

Supplemental Communications and Reports

Items received by the deadlines for submission will be compiled and distributed as follows. If no items are received by the deadline, no supplemental packet will be compiled for said deadline.

- **Supplemental Communications and Reports 1**
Available by 5:00 p.m. five days prior to the meeting.
- **Supplemental Communications and Reports 2**
Available by 5:00 p.m. the day before the meeting.
- **Supplemental Communications and Reports 3**
Available by 5:00 p.m. two days following the meeting.



Office of the City Attorney

CONSENT CALENDAR
June 24, 2025

To: Honorable Members of the City Council

From: Farimah Brown, City Attorney (Author)

Subject: Amendments to Ordinance Prohibiting the Sale or Use of Coordinated Pricing Algorithms (BMC 13.63) to Suspend Effective Date Until March 2026

RECOMMENDATION

Amend the Ordinance Prohibiting the Sale or Use of Coordinated Pricing Algorithms (BMC 13.63) to suspend the effective date until March 1, 2026.

BACKGROUND

On March 25, 2025, the Berkeley City Council adopted a second reading of an ordinance (Attachment 1) that prohibits the sale or use of coordinated pricing algorithms to set or recommend rents in Berkeley (BMC 13.63.) Pursuant to City Charter, Article XIV, Section 93, the ordinance became effective on April 24, 2025.

In early April 2025, RealPage, Inc. filed a lawsuit, temporary restraining order (“TRO”), and motion for preliminary injunction seeking to enjoin the ordinance on First Amendment grounds. *See RealPage, Inc. v. City of Berkeley*, 3:25-cv-03004-JSC (N.D. Cal.). The court denied RealPage’s motion for TRO due to the City’s agreement not to enforce the ordinance against RealPage pending RealPage’s motion for a preliminary injunction. The City later agreed to suspend enforcement of the ordinance against property owners under the same terms.

Under the Court’s order dated May 20, 2025, RealPage is scheduled to file its motion for preliminary injunction on June 20, 2025; the City’s response is due on August 8, 2025; and RealPage’s reply is due on August 22, 2025. RealPage has tentatively agreed to suspend these dates in light of this pending legislative action.

RATIONALE FOR RECOMMENDATION

The pending litigation has posed significant costs for the City. RealPage has informed the City Attorney’s Office that it will agree to a further extension of deadlines to facilitate a possible amicable resolution of the case only if the City takes action to amend, repeal, or suspend the ordinance’s effective date. Absent action by the City Council, the litigation will continue to drive up costs for the City.

The proposed amendment herein (Attachment 2) would suspend the effective date of the ordinance until March 1, 2026, in order to reduce ongoing legal costs and give the City Council time to consider options.

FINANCIAL IMPLICATIONS

The action could result in a pause of the litigation, and could help facilitate a resolution that may reduce the City's litigation costs in this matter.

ENVIRONMENTAL SUSTAINABILITY AND CLIMATE IMPACTS

There are no identifiable environmental effects, climate impacts, or sustainability opportunities associated with the subject of this report.

CONTACT PERSON

Farimah Brown 510-981-6998

Attachments:

1. Ordinance No. 7,956-N.S., Prohibition on the Sale or Use of Coordinated Pricing Algorithms To Set Rents or Manage Occupancy Levels for Residential Dwelling Units.
2. Proposed Amendments to Ordinance No. 7,956-N.S (redline)

ORDINANCE NO. 7,956-N.S.

ADDING CHAPTER 13.63 TO THE BERKELEY MUNICIPAL CODE PROHIBITING ON THE SALE OR USE OF COORDINATED PRICING ALGORITHMS TO SET RENTS OR MANAGE OCCUPANCY LEVELS FOR RESIDENTIAL DWELLING UNITS

BE IT ORDAINED by the Council of the City of Berkeley as follows:

Section 1. That Berkeley Municipal Code 13.63 is added to read as follows:

Chapter 13.63

PROHIBITION ON THE SALE OR USE OF COORDINATED PRICING ALGORITHMS TO SET RENTS OR MANAGE OCCUPANCY LEVELS FOR RESIDENTIAL DWELLING UNITS

Sections:

13.63.010 Findings and Purpose

13.63.020 Definitions

13.63.030 Use and Sale of Coordinated Pricing Algorithms Prohibited

13.63.040 Remedies

13.63.050 Undertaking for the General Welfare

13.63.060 Severability

13.63.010 Findings and purpose.

The Council hereby finds and determines that the adoption of this chapter is necessary to the promotion of the public health, safety, and welfare.

A. In recent years, a number of new software programs, often referred to as “coordinated pricing algorithms”, have threatened to destabilize rental housing markets in cities nationwide, including the City of Berkeley.

B. These programs enable landlords to indirectly coordinate with one another through the sharing of data in order to artificially inflate rents and vacancy rates for rental housing. Participating landlords provide vast amounts of proprietary data to the programs, which in turn set or provide recommendations for rent and occupancy levels.

C. More and more landlords in U.S. cities now pool their data and pricing decisions using such software.

D. The software has contributed to double-digit rent increases (over the last nine years, median rents have increased 19% in the East Bay), higher vacancy rates, and higher rates of eviction, and has generally distorted markets so that rents and vacancy rates have increased in tandem.

E. Often used by large corporate landlords, the software fuels the consolidation of corporate and private equity ownership of rental housing, at the expense of landlords large and small who are willing to play by the normal rules. Landlords using these tools are not engaging in appropriate market behavior. And the companies developing and

selling these tools to Berkeley landlords are not doing so either, and are contributing to these problems.

F. A 2022 class action lawsuit filed in the U.S. District Court in the Western District of Washington at Seattle (one of over 20 private class action lawsuits that have been consolidated into one case) accuses nearly 50 trade associations of serving as “conduits of the cartel” by providing a venue for RealPage and their property owners to conspire. The lawsuit further alleges that landlords use the software to agree on prices to set for rent, and to stagger their lease renewal dates so as to avoid any oversupplies in rental properties.

G. Numerous antitrust lawsuits have been filed against certain of these companies, including RealPage, Inc. and Yardi Systems, Inc. The lawsuits allege that these companies are enabling and participating in a scheme of unlawful rent-fixing. These include a lawsuit filed by the District of Columbia Attorney General in November 2023, a lawsuit filed by the Arizona Attorney General in February 2024, and more than 20 federal private class action lawsuits filed nationwide that have been consolidated in the federal court in the Middle District of Tennessee. In August 2024, The United States Department of Justice, alongside the attorneys general of California and seven other states, filed an antitrust lawsuit against RealPage, accusing the company of reducing competition among landlords and taking over the market for such algorithm-based rental software.

H. Instead of waiting for court processes which may take years to resolve, this ordinance prohibits the sale or use of coordinated pricing algorithms for the purpose of setting rents on residential dwelling units in the city of Berkeley, to bring immediate relief to Berkeley tenants, as well as to put landlords who have been using these algorithms on equal footing with those who are willing to adhere to fair standards for setting rental rates.

I. This Chapter is not intended to prevent the development or sale of software to help landlords manage their units generally or through the use of public data. Nor does this Chapter regulate the amount of rent that a landlord may charge. This Chapter solely regulates the use and sale of the coordinated pricing algorithms that analyze and share data, to prevent the harms described above.

13.63.020 Definitions.

A. “Coordinated pricing algorithm” means any analytical or computation processes that use data to recommend or predict the price of consumer goods or services in direct or indirect coordination with one or more competitors, including through a third-party vendor such as a software program that uses one or more algorithms to perform calculations of competitor data concerning local or statewide rents or occupancy levels, for the purpose of advising landlords whether to leave their units vacant or on the amount of rent that landlords may obtain from tenants. “Coordinated pricing algorithm” includes a product that incorporates a coordinated pricing algorithm, but does not include (a) any report published by a trade association that receives renter data and publishes it in an aggregated and anonymous manner or (b) a product used for the purpose of establishing rent or income limits in accordance with the affordable housing guidelines of a local government, the state, the federal government, or other political subdivision.

B. “Competitor data” means information, including information about actual rent prices, occupancy rates, lease start and end dates, and similar data, regardless whether

the information is attributable to a specific competitor or anonymized, and regardless whether it is derived from or otherwise provided by another person that competes in the same market or a related market.

13.63.030 Use and sale of coordinated pricing algorithms prohibited.

A. It shall be unlawful to sell, license, or otherwise provide to city of Berkeley landlords any coordinated pricing algorithm that sets, recommends, or advises on rents or occupancy levels that may be achieved for residential dwelling units in the city of Berkeley.

B. It shall be unlawful for a landlord to use a coordinated pricing algorithm described in subsection A when setting rents or occupancy levels for residential dwelling units in the city of Berkeley. Each separate month that a violation exists or continues, and each separate residential dwelling unit for which the landlord used the coordinated pricing algorithm, shall constitute a separate and distinct violation.

13.63.040 Remedies.

A. The City Attorney may file a civil action for violations of section 13.63.030, subsections A and/or B, for damages, injunctive relief, restitution/return of illegal profits, and/or civil penalties of up to \$1,000 per violation. The court shall award reasonable attorney's fees and costs to the city Attorney if the City Attorney is the prevailing party in such a civil action.

B. A tenant may file a civil action for violations of section 13.63.030, subsection B, for injunctive relief, money damages, and/or civil penalties of up to \$1,000 per violation. The court shall award reasonable attorney's fees and costs to the tenant if the tenant is the prevailing party in such a civil action. A lease provision that limits a prevailing tenant from obtaining attorneys' fees shall not be enforceable against a tenant's claim for attorneys' fees that arises under this subsection 13.63.040 B.

13.63.050 Undertaking for the general welfare.

In enacting and implementing this Chapter 13.63, the City is assuming an undertaking only to promote the general welfare. It is not assuming, nor is it imposing on its officers and employees, an obligation for breach of which it is liable in money damages to any person who claims that such breach proximately caused injury.

13.63.060 Severability.

If any part or provision of this Chapter, or the application of this Chapter to any person or circumstance, is held invalid, the remainder of this Chapter, including the application of such part or provision to other persons or circumstances, shall not be affected by such a holding and shall continue in full force and effect. To this end, the provisions of this Chapter are severable.

Section 2. Copies of this Ordinance shall be posted for two days prior to adoption in the display case located near the walkway in front of the Maudelle Shirek Building, 2134

Martin Luther King Jr. Way. Within 15 days of adoption, copies of this Ordinance shall be filed at each branch of the Berkeley Public Library and the title shall be published in a newspaper of general circulation.

At a regular meeting of the Council of the City of Berkeley held on March 11, 2025, this Ordinance was passed to print and ordered published by posting by the following vote:

Ayes: Bartlett, Blackaby, Kesarwani, Lunaparra, O’Keefe, Taplin, Tregub, and Ishii.

Noes: Humbert.

Absent: None.

At a regular meeting of the Council of the City of Berkeley held on March 25, 2025, this Ordinance was adopted by the following vote:

Ayes: Bartlett, Blackaby, Kesarwani, Lunaparra, O’Keefe, Taplin, Tregub, and Ishii.

Noes: Humbert.

Absent: None.



Adena Ishii, Mayor

ATTEST: 

Mark Numainville, City Clerk

Date signed: March 28, 2025

ORDINANCE NO. -N.S.

AMENDING CHAPTER 13.63 OF THE BERKELEY MUNICIPAL CODE PROHIBITING THE SALE OR USE OF COORDINATED PRICING ALGORITHMS TO SET RENTS OR MANAGE OCCUPANCY LEVELS FOR RESIDENTIAL DWELLING UNITS

BE IT ORDAINED by the Council of the City of Berkeley as follows:

Section 1. That Berkeley Municipal Code 13.63 is amended to read as follows:

Chapter 13.63

PROHIBITION ON THE SALE OR USE OF COORDINATED PRICING ALGORITHMS TO SET RENTS OR MANAGE OCCUPANCY LEVELS FOR RESIDENTIAL DWELLING UNITS

Sections:

13.63.010 Findings and Purpose

13.63.020 Definitions

13.63.030 Use and Sale of Coordinated Pricing Algorithms Prohibited

13.63.040 Remedies

13.63.050 Undertaking for the General Welfare

13.63.060 Severability

13.63.070 Effective Date

13.63.010 Findings and purpose.

The Council hereby finds and determines that the adoption of this chapter is necessary to the promotion of the public health, safety, and welfare.

A. In recent years, a number of new software programs, often referred to as “algorithmic devices”, have threatened to destabilize rental housing markets in cities nationwide, including the City of Berkeley.

B. These programs enable landlords to indirectly coordinate with one another through the sharing of non-public competitively sensitive data in order to artificially inflate rents and vacancy rates for rental housing. Participating landlords provide vast amounts of proprietary data to the programs, which in turn set or provide recommendations for rent and occupancy levels.

C. More and more landlords in U.S. cities now pool their data and pricing decisions using such software.

D. The software has contributed to double-digit rent increases (over the last nine years, median rents have increased 19% in the East Bay), higher vacancy rates, and higher rates of eviction, and has generally distorted markets so that rents and vacancy rates have increased in tandem.

E. Often used by large corporate landlords, the software fuels the consolidation of corporate and private equity ownership of rental housing, at the expense of landlords large and small who are willing to play by the normal rules. Landlords using these tools are not engaging in appropriate market behavior. And the companies developing and selling these tools to Berkeley landlords are not doing so either, and are contributing to these problems.

F. A 2022 class action lawsuit filed in the U.S. District Court in the Western District of Washington at Seattle (one of over 20 private class action lawsuits that have been consolidated into one case) accuses nearly 50 trade associations - including the East Bay Rental Housing Association and the Berkeley Property Owners Association – of serving as “conduits of the cartel” by providing a venue for RealPage and their property owners to conspire. The lawsuit further alleges that landlords use the software to agree on prices to set for rent, and to stagger their lease renewal dates so as to avoid any oversupplies in rental properties.

G. Numerous antitrust lawsuits have been filed against certain of these companies, including RealPage, Inc. and Yardi Systems, Inc. The lawsuits allege that these companies are enabling and participating in a scheme of unlawful rent-fixing. These include a lawsuit filed by the District of Columbia Attorney General in November 2023, a lawsuit filed by the Arizona Attorney General in February 2024, and more than 20 federal private class action lawsuits filed nationwide that have been consolidated in the federal court in the Middle District of Tennessee. In August 2024, The United States Department of Justice, alongside the attorneys general of California and seven other states, filed an antitrust lawsuit against RealPage, accusing the company of reducing competition among landlords and taking over the market for such algorithm-based rental software.

H. Instead of waiting for court processes which may take years to resolve, this ordinance prohibits the sale or use of algorithmic devices for the purpose of setting rents on residential dwelling units in the city of Berkeley, to bring immediate relief to Berkeley tenants, as well as to put landlords who have been using these devices on equal footing with those who are willing to adhere to fair standards for setting rental rates.

I. This Chapter is not intended to prevent the development or sale of software to help landlords manage their units generally or through the use of public data. Nor does this Chapter regulate the amount of rent that a landlord may charge. This Chapter solely regulates the use and sale of the algorithmic devices that analyze and share non-public data, to prevent the harms described above.

13.63.020 Definitions.

A. “Coordinated pricing algorithm” means any analytical or computation processes that use data to recommend or predict the price of consumer goods or services in direct or indirect coordination with one or more competitors, including through a third-party vendor such as a software program that uses one or more algorithms to perform calculations of competitor data concerning local or statewide rents or occupancy levels, for the purpose of advising landlords whether to leave their units vacant or on the amount of rent that landlords may obtain from tenants. “Coordinated pricing algorithm” includes a product that incorporates a coordinated pricing algorithm, but does not

include (a) any report published by a trade association that receives renter data and publishes it in an aggregated and anonymous manner or (b) a product used for the purpose of establishing rent or income limits in accordance with the affordable housing guidelines of a local government, the state, the federal government, or other political subdivision.

B. "Competitor data" means information, including information about actual rent prices, occupancy rates, lease start and end dates, and similar data, regardless whether the information is attributable to a specific competitor or anonymized, and regardless whether it is derived from or otherwise provided by another person that competes in the same market or a related market.

13.63.030 Use and sale of coordinated pricing algorithms prohibited.

A. It shall be unlawful to sell, license, or otherwise provide to city of Berkeley landlords any coordinated pricing algorithm that sets, recommends, or advises on rents or occupancy levels that may be achieved for residential dwelling units in the city of Berkeley.

B. It shall be unlawful for a landlord to use a coordinated pricing algorithm described in subsection A when setting rents or occupancy levels for residential dwelling units in the city of Berkeley. Each separate month that a violation exists or continues, and each separate residential dwelling unit for which the landlord used the coordinated pricing algorithm, shall constitute a separate and distinct violation.

13.63.040 Remedies.

A. The City Attorney may file a civil action for violations of section 13.63.030, subsections A and/or B, for damages, injunctive relief, restitution/return of illegal profits, and/or civil penalties of up to \$1,000 per violation. The court shall award reasonable attorney's fees and costs to the city Attorney if the City Attorney is the prevailing party in such a civil action.

B. A tenant may file a civil action for violations of section 13.63.030, subsection B, for injunctive relief, money damages, and/or civil penalties of up to \$1,000 per violation. The court shall award reasonable attorney's fees and costs to the tenant if the tenant is the prevailing party in such a civil action. A lease provision that limits a prevailing tenant from obtaining attorneys' fees shall not be enforceable against a tenant's claim for attorneys' fees that arises under this subsection 13.63.040 B.

13.63.050 Undertaking for the general welfare.

In enacting and implementing this Chapter 13.63, the City is assuming an undertaking only to promote the general welfare. It is not assuming, nor is it imposing on its officers and employees, an obligation for breach of which it is liable in money damages to any person who claims that such breach proximately caused injury.

13.63.060 Severability.

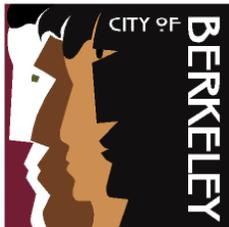
If any part or provision of this Chapter, or the application of this Chapter to any person or circumstance, is held invalid, the remainder of this Chapter, including the application of such part or provision to other persons or circumstances, shall not be

affected by such a holding and shall continue in full force and effect. To this end, the provisions of this Chapter are severable.

13.63.070 Effective Date.

The provisions of this Chapter shall not take effect until March 1, 2026.

Section 2. Copies of this Ordinance shall be posted for two days prior to adoption in the display case located near the walkway in front of the Maudelle Shirek Building, 2134 Martin Luther King Jr. Way. Within 15 days of adoption, copies of this Ordinance shall be filed at each branch of the Berkeley Public Library and the title shall be published in a newspaper of general circulation.



Office of the City Manager

CONSENT CALENDAR
June 24, 2025

To: Honorable Mayor and Members of the City Council
From: Paul Buddenhagen, City Manager
Submitted by: Mark Numainville, City Clerk
Subject: Minutes for Approval

RECOMMENDATION

Approve the minutes for the Council meetings of May 5, 2025 (special), May 6, 2025 (special and regular), May 13, 2025 (special), May 20, 2025 (special and regular), May 21, 2025 (special), and May 27, 2025 (special closed).

CONTACT PERSON

Mark Numainville, City Clerk, (510) 981-6900

Attachments:

1. May 5, 2025 – Special Closed City Council Meeting
2. May 6, 2025 – Special City Council Meeting
3. May 6, 2025 – Regular City Council Meeting
4. May 13, 2025 – Special Closed City Council Meeting
5. May 20, 2025 – Special Council City Meeting
6. May 20, 2025 – Regular City Council Meeting
7. May 21, 2025 – Special Closed City Council Meeting
8. May 27, 2025 – Special Closed City Council Meeting

**BERKELEY CITY COUNCIL
SPECIAL MEETING MINUTES**

MONDAY, MAY 5, 2025

4:30 P.M.

2180 MILVIA STREET, BERKELEY, CA 94704

TELECONFERENCE LOCATION - 1619 EDITH STREET, BERKELEY, CA 94703

TELECONFERENCE LOCATION - 1250 S HAYES ST, ARLINGTON, VA 22202

ADENA ISHII, MAYOR

Councilmembers:

DISTRICT 1 – RASHI KESARWANI
DISTRICT 2 – TERRY TAPLIN
DISTRICT 3 – BEN BARTLETT
DISTRICT 4 – IGOR TREGUB

DISTRICT 5 – SHOSHANA O'KEEFE
DISTRICT 6 – BRENT BLACKABY
DISTRICT 7 – CECILIA LUNAPARRA
DISTRICT 8 – MARK HUMBERT

This meeting will be conducted in a hybrid model with both in-person attendance and virtual participation.

*To access the meeting remotely use this URL: <https://cityofberkeley-info.zoomgov.com/j/1613384277>. To request to speak, use the "raise hand" function in Zoom. To join by phone: Dial **1-669-254-5252** or **1-833-568-8864 (Toll Free)** and enter Meeting ID: **161 338 4277**. To provide public comment, Press *9 and wait to be recognized by the Chair. To submit a written communication for the public record, email council@berkeleyca.gov.*

This meeting will be conducted in accordance with the Brown Act, Government Code Section 54953. Any member of the public may attend this meeting, however, if you are feeling sick, please do not attend the meeting in person. The City Council may take action related to any subject listed on the Agenda.

Pursuant to the City Council Rules of Procedure and State Law, the presiding officer may remove, or cause the removal of, an individual for disrupting the meeting. Prior to removing an individual, the presiding officer shall warn the individual that their behavior is disrupting the meeting and that their failure to cease their behavior may result in their removal. The presiding officer may then remove the individual if they do not promptly cease their disruptive behavior. "Disrupting" means engaging in behavior during a meeting of a legislative body that actually disrupts, disturbs, impedes, or renders infeasible the orderly conduct of the meeting and includes, but is not limited to, a failure to comply with reasonable and lawful regulations adopted by a legislative body, or engaging in behavior that constitutes use of force or a true threat of force.

Government Code Section 84308 (Levine Act) - *Parties to a proceeding involving a license, permit, or other entitlement for use are required to disclose if they made contributions over \$500 within the prior 12 months to any City employee or officer. Parties and participants with a financial interest are prohibited from making more than \$500 in contributions to a decisionmaker for the 12 months after the final decision is rendered on the proceeding. The above contribution disclosures and restrictions do not apply when the proceeding is competitively bid, or involves a personnel or labor contract. For more information, see Government Code Section 84308.*

Preliminary Matters

Roll Call: 4:36 p.m.

Present: Kesarwani, Taplin, Bartlett, O’Keefe, Blackaby, Lunaparra, Humbert, Ishii

Absent: Tregub

Councilmember Bartlett participated in the meeting remotely pursuant to the “just cause” exemption in the Brown Act.

Councilmember Tregub present at 4:42 p.m.

Public Comment – 0 speakers

CLOSED SESSION:

The City Council will convene in closed session to meet concerning the following:

1. PUBLIC EMPLOYEE APPOINTMENTS PURSUANT TO GOVERNMENT CODE SECTION 54957(b):

Title of position to be filled: Director of Human Resources

Action: No reportable action taken.

2. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION PURSUANT TO GOVERNMENT CODE SECTIONS 54956.9(a) and (d)(1):

a. *Prado, et al. v. City of Berkeley, USDC Case No. 3:23-cv-04537-EMD, in the US District Court for the Northern District of California.*

Action: No reportable action taken.

b. *Berkeley Homeless Union, et al. v. City of Berkeley, et al., USDC Case No. 4:25-cv-01414-HSG, in the US District Court for the Northern District of California.*

Action: No reportable action taken.

c. *Dennison, et al. v. City of Berkeley, Alameda County Superior Court Case No. 24CV091288.*

Action: No reportable action taken.

3. CONFERENCE WITH LEGAL COUNSEL—ANTICIPATED LITIGATION Initiation of litigation pursuant to paragraph (4) of subdivision (d) of Section 54956.9

a. *City and County of San Francisco, et al., v. Donald J. Trump, et al., U.S. District Court for the Northern District of California, Case No. 25-cv-01350*

Action: M/S/C (Kesarwani/Lunaparra) to direct the City Attorney to initiate an action.

Vote: Ayes – Kesarwani, Bartlett, Tregub, Blackaby, Lunaparra, Humbert, Ishii; Noes – None; Abstain – None; Absent – Taplin, O’Keefe.

OPEN SESSION:

The City Council directed the City Attorney to initiate an action. Once formally commenced, the action, defendants, and other particulars shall be disclosed to any person upon inquiry, unless to do so would jeopardize the City's ability to effectuate service of process on one or more unserved parties, or jeopardize the City's ability to conclude existing settlement negotiations to its advantage.

Adjournment

Action: M/S/C (Lunaparra/Blackaby) to adjourn the meeting.

Vote: Ayes – Bartlett, Tregub, Blackaby, Lunaparra, Humbert, Ishii; Noes – None; Abstain – None; Absent – Kesarwani, Taplin, O'Keefe.

Adjourned at 7:33 p.m.

I hereby certify that the foregoing is a true and correct record of the closed session meeting held on May 5, 2025.

Mark Numainville, City Clerk

**MINUTES
SPECIAL MEETING OF THE
BERKELEY CITY COUNCIL**

**Tuesday, May 6, 2025
4:30 PM**

SCHOOL DISTRICT BOARD ROOM - 1231 ADDISON STREET, BERKELEY, CA 94702

TELECONFERENCE LOCATION - 32581 VIA LOS SANTOS, SAN JUAN CAPISTRANO,
CA 92675

ADENA ISHII, MAYOR

Councilmembers:

DISTRICT 1 – RASHI KESARWANI

DISTRICT 2 – TERRY TAPLIN

DISTRICT 3 – BEN BARTLETT

DISTRICT 4 – IGOR TREGUB

DISTRICT 5 – SHOSHANA O'KEEFE

DISTRICT 6 – BRENT BLACKABY

DISTRICT 7 – CECILIA LUNAPARRA

DISTRICT 8 – MARK HUMBERT

This meeting will be conducted in a hybrid model with both in-person attendance and virtual participation. Live captioned broadcasts of Council meetings are available on B-TV (Channel 33) and via internet video stream at http://berkeley.granicus.com/MediaPlayer.php?publish_id=1244. All Council meetings are recorded.

*To access the meeting remotely use this URL: <https://cityofberkeley-info.zoomgov.com/j/1612529488>. To request to speak, use the "raise hand" function in Zoom. To join by phone: Dial **1-669-254-5252** or **1-833-568-8864 (Toll Free)** and enter **Meeting ID: 161 252 9488**. To provide public comment, Press *9 and wait to be recognized by the Chair. To submit a written communication for the public record, email council@berkeleyca.gov.*

This meeting will be conducted in accordance with the Brown Act, Government Code Section 54953. Any member of the public may attend this meeting, however, if you are feeling sick, please do not attend the meeting in person. The City Council may take action related to any subject listed on the Agenda.

Pursuant to the City Council Rules of Procedure and State Law, the presiding officer may remove, or cause the removal of, an individual for disrupting the meeting. Prior to removing an individual, the presiding officer shall warn the individual that their behavior is disrupting the meeting and that their failure to cease their behavior may result in their removal. The presiding officer may then remove the individual if they do not promptly cease their disruptive behavior. "Disrupting" means engaging in behavior during a meeting of a legislative body that actually disrupts, disturbs, impedes, or renders infeasible the orderly conduct of the meeting and includes, but is not limited to, a failure to comply with reasonable and lawful regulations adopted by a legislative body, or engaging in behavior that constitutes use of force or a true threat of force.

Government Code Section 84308 (Levine Act) - Parties to a proceeding involving a license, permit, or other entitlement for use are required to disclose if they made contributions over \$500 within the prior 12 months to any City employee or officer. Parties and participants with a financial interest are prohibited from making more than \$500 in contributions to a decisionmaker for the 12 months after the final decision is rendered on the proceeding. The above contribution disclosures and restrictions do not apply when the proceeding is competitively bid, or involves a personnel or labor contract. For more information, see Government Code Section 84308.

Preliminary Matters

Roll Call: 4:37 p.m.

Present: Tregub, O'Keefe, Blackaby, Lunaparra, Ishii

Absent: Kesarwani, Taplin, Bartlett, Humbert

Councilmember Taplin present at 5:09 p.m.

Councilmember Bartlett present at 5:12 p.m.

Worksession

1. **Presentation and Discussion: Brown Act Training**

From: City Attorney's Office

Contact: Farimah Brown, City Attorney, (510) 981-6950

Action: 1 speaker. Presentation made and discussion held.

Adjournment

Action: M/S/C (Lunaparra/Blackaby) to adjourn the meeting.

Vote: Ayes – Taplin, Bartlett, Tregub, O'Keefe, Blackaby, Lunaparra, Ishii; Noes – None; Abstain – None; Absent – Kesarwani, Humbert.

Adjourned at 5:31 p.m.

I hereby certify that the foregoing is a true and correct record of the special meeting held on May 6, 2025.

Mark Numainville, City Clerk

Communications

- None

Supplemental Communications and Reports 1

- None

Supplemental Communications and Reports 2

- None

Supplemental Communications and Reports 3

Item #1: Presentation and Discussion: Brown Act Training

1. Presentation, submitted by City Attorney's Office

MINUTES
BERKELEY CITY COUNCIL MEETING
Tuesday, May 6, 2025
6:00 PM

SCHOOL DISTRICT BOARD ROOM - 1231 ADDISON STREET, BERKELEY, CA 94702
 TELECONFERENCE LOCATION - 32581 VIA LOS SANTOS, SAN JUAN CAPISTRANO,
 CA 92675

ADENA ISHII, MAYOR

Councilmembers:

DISTRICT 1 – RASHI KESARWANI
 DISTRICT 2 – TERRY TAPLIN
 DISTRICT 3 – BEN BARTLETT
 DISTRICT 4 – IGOR TREGUB

DISTRICT 5 – SHOSHANA O'KEEFE
 DISTRICT 6 – BRENT BLACKABY
 DISTRICT 7 – CECILIA LUNAPARRA
 DISTRICT 8 – MARK HUMBERT

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Preliminary Matters

Roll Call: 6:09 p.m.

Present: Kesarwani, Taplin, Bartlett, Tregub, O’Keefe, Blackaby, Lunaparra, Humbert, Ishii

Absent: None

Report from Closed Session:

The City Council directed the City Attorney to initiate an action. Once formally commenced, the action, defendants, and other particulars shall be disclosed to any person upon inquiry, unless to do so would jeopardize the City's ability to effectuate service of process on one or more unserved parties, or jeopardize the City's ability to conclude existing settlement negotiations to its advantage.

Land Acknowledgement Statement: *The City of Berkeley recognizes that the community we live in was built on the territory of xučyun (Huchiun (Hooch-yoon)), the ancestral and unceded land of the Chochochenyo (Cho-chen-yo)-speaking Ohlone (Oh-low-nee) people, the ancestors and descendants of the sovereign Verona Band of Alameda County. This land was and continues to be of great importance to all of the Ohlone Tribes and descendants of the Verona Band. As we begin our meeting tonight, we acknowledge and honor the original inhabitants of Berkeley, the documented 5,000-year history of a vibrant community at the West Berkeley Shellmound, and the Ohlone people who continue to reside in the East Bay. We recognize that Berkeley's residents have and continue to benefit from the use and occupation of this unceded stolen land since the City of Berkeley's incorporation in 1878. As stewards of the laws regulating the City of Berkeley, it is not only vital that we recognize the history of this land, but also recognize that the Ohlone people are present members of Berkeley and other East Bay communities today. The City of Berkeley will continue to build relationships with the Lisjan Tribe and to create meaningful actions that uphold the intention of this land acknowledgement.*

Ceremonial Matters:

1. Words of Remembrance for David “Chicken” Nesmith

City Manager Comments:

Item 1 CALFIRE Map and Item 9 Fire Code Amendments, will not be heard on this agenda and are rescheduled to the June 17, 2025 meeting.

Public Comment on Non-Agenda Matters: 7 speakers.

Public Comment by Employee Unions: 1 speaker.

Consent Calendar

Public Comment on Consent Calendar and Information Items Only: 2 speakers.

Action: M/S/C (Tregub/Taplin) to adopt the Consent Calendar in one motion except as indicated.

Vote: All Ayes.

Consent Calendar

- 1. Adoption of CALFIRE Map and Additional Areas Designated as the City of Berkeley Fire Hazard Severity Zones**
From: City Manager
Recommendation: Adopt second reading of Ordinance No. 7,958-N.S. to designate Fire Hazard Severity Zones (FHSZ) within the Local Responsibility Area as recommended by the California Department of Forestry and Fire Protection (CALFIRE) pursuant to Government Code Section 51178.
First Reading Vote: All Ayes.
Financial Implications: See report
Contact: David Sprague, Fire, (510) 981-3473
Action: Second reading of Ordinance No. 7,958–N.S. is rescheduled to June 17, 2025 at the request of the City Manager.
- 2. Re-Establishment of the Berkeley Tourism Business Improvement District**
From: City Manager
Recommendation:
 1. Adopt a Resolution declaring the City Council’s intention to renew the Berkeley Tourism Business Improvement District (BTBID) for ten (10) years starting July 1, 2025, and directing the City Clerk to schedule a public meeting on June 3, 2025 and a public hearing on June 24, 2025 to renew the BTBID.
 2. Adopt a Resolution declaring the City Council’s intention to modify the existing BTBID to end on June 30, 2025, shortening the existing BTBID’s term from ten (10) years to eight (8) years and directing the City Clerk to schedule a public hearing on June 24, 2025 on modification of the BTBID Management District Plan (Plan).
 3. Adopt a Resolution authorizing the City Manager to execute a contract and any necessary amendments with Visit Berkeley, the BTBID’s Owners’ Association and the City of Berkeley’s Convention and Visitor’s Bureau, for an amount not to exceed total Tourism BID collections for the term of the renewed BTBID, beginning on July 1, 2025 and concluding on June 30, 2035.**Financial Implications:** See report.
Contact: Eleanor Hollander, Economic Development, (510) 981-7530
Action: Adopted Resolution No. 71,749–N.S. (BTBID Renewal); Resolution No. 71,750–N.S. (BTBID Modification); and Resolution No. 71,751–N.S. (Contract).
- 3. Contract: Diablo Fire Safe Council for Home Hardening Donations**
From: City Manager
Recommendation: Adopt a Resolution authorizing the City Manager to execute a contract and any amendments with the Diablo Fire Safe Council (DFSC) to serve as the fiscal sponsor for donations that support home hardening work in Berkeley, particularly in its Fire Hazard Severity Zones, for a term of five years.
Financial Implications: See report.
Contact: David Sprague, Fire, (510) 981-3473
Action: Adopted Resolution No. 71,752–N.S.

Consent Calendar

- 4. Contract No. 32400192 Amendment: GovernmentJobs.com (dba NEOGOV) for Online Data Management Services**
From: City Manager
Recommendation: Adopt a Resolution authorizing the City Manager to execute an amendment to Contract No. 32400192 with GovernmentJobs.com (dba NEOGOV) for online data management services including applicant tracking, onboarding, learning management, and performance management to extend the contract from May 16, 2025 to May 15, 2028 and increase the contract cap to \$108,884 to cover the cost of three fiscal years.
Financial Implications: General Fund and Training Fund - \$108,884.79
Contact: Monica Walker, Human Resources, (510) 981-6800
Action: Adopted Resolution No. 71,753–N.S.
- 5. Reject All Bids and Re-Scope and Re-Bid the Work Associated with South Cove West Lot Repaving Project**
From: City Manager
Recommendation: Adopt a Resolution: 1. Approving plans and specifications for South Cove West Lot Repaving Project, Specification No. 25-11687-C; 2. Rejecting all bids for the work associated with the South Cove West Lot Repaving Project (Bid Specification No. 25-11687-C); and 3. Authorizing the City Manager to direct staff to re-scope and re-bid the work associated with the South Cove West Lot Repaving Project.
Financial Implications: See report
Contact: Scott Ferris, Parks, Recreation and Waterfront, (510) 981-6700
Action: Adopted Resolution No. 71,754–N.S.
- 6. Contract No. 32200042 Amendment: WCG, Inc. for Updates to the BESO Program's Salesforce Software System**
From: City Manager
Recommendation: Adopt a Resolution authorizing the City Manager to execute an amendment to Contract No. 32200042 with WCG, Inc., to update the Building Emissions Saving Ordinance (BESO) program's Salesforce software system, to implement amendments to BESO, for an additional amount of \$100,000, for a total contract amount not to exceed \$124,750, and extending the term through December 31, 2027.
Financial Implications: See report
Contact: Jordan Klein, Planning and Development, (510) 981-7400
Action: Adopted Resolution No. 71,755–N.S.

Consent Calendar

7. **Contract No. 117441-1 Amendment: Chrisp Company for Painting Red Curbs to Enhance Compliance with California’s Daylighting Law (Assembly Bill 413)**
From: City Manager
Recommendation: Adopt a Resolution authorizing the City Manager to execute an amendment to Contract No. 117441-1 with Chrisp Company to paint red curbs at the approach to approximately 918 intersections to improve safety in compliance with California’s Daylighting Law (Assembly Bill 413, or AB 413). This contract amendment would increase the contract amount by \$375,574, for a new contract amount not to exceed of \$1,625,575.
Financial Implications: See report
Contact: Terrance Davis, Public Works, (510) 981-6300
Action: Adopted Resolution No. 71,756–N.S.
- 8a. **Notice, tracking and enforcement of California SB 1343 sexual harassment prevention training for Berkeley private, public and non-profit employers and employees**
From: Commission on the Status of Women
Recommendation: That Council refer to the City Manager to develop a procedure for all employers and employees doing business in Berkeley, whether public, private or nonprofit, to take the sexual harassment prevention online training as posted on the California Civil Rights Department website, conducted by a qualified trainer, as required by California SB 1343, on City premises and to provide certification of completion of training to be filed with the City.
That all employers doing business in Berkeley with 5 or more employees be provided with notice of the SB 1343 requirement to take sexual harassment prevention training every 2 years; the availability of free online training on the California Civil Rights Department website (formerly known as the California Department of Fair Employment and Housing) and the availability of the City of Berkeley online trainings if the employee is otherwise unable to access the online trainings.
That the City of Berkeley notice also advise each employer of the SB 1343 requirement to post a poster, in a prominent and accessible location, on discrimination in employment which includes the illegality of sexual harassment. That the notice advise employers that they can secure posters through the California Civil Rights Department or through the City of Berkeley.
That the City of Berkeley notice advise each employer that SB 1343 also requires that a poster on transgender rights, available through the California Civil Rights Department, also be posted in a prominent and accessible location in the workplace.
That the City of Berkeley secure sufficient copies of the California Civil Rights Department posters on sexual harassment and transgender rights and make them available upon request to employers requesting them.
That the City of Berkeley notice advise employers that the City of Berkeley requires them to produce documentation to the City of having otherwise taken and provided the training to employees by submitting written certification that they have taken the training as well as providing written certification from each employee who has taken the training as required by SB 1343.
That written certification provided by employers and employees who have otherwise

Consent Calendar

taken the training must include the date the employer and employee took the training as required by SB 1343; the location where the training was otherwise taken; the mode of the training (live or video); and the name, address, phone number and e-mail address of the qualified trainer, under SB 1343, who provided the training. Each certification must be signed.

That the City of Berkeley maintain an online database of employer and employee compliance with SB 1343 with all the data as stated above recorded on the data base.

That the City of Berkeley send out notices to employers and employees if they are out of compliance with the SB 1343 requirement of taking initial sexual harassment trainings or periodic trainings after they have completed the initial training.

That the SB 1343 online training, provided by the City of Berkeley, be available in all the languages that the California Civil Rights Department free online training provides, that being Chinese, English, Korean, Spanish, Tagalog and Vietnamese.

That the City Manager refer to the City Attorney to develop a procedure as to how employer non-compliance should be addressed.

That the City Manager report back to Council with a progress report of the implementation of this notice and enforcement procedure, under SB 1343, no later than the first Council meeting to be held in January, 2025 and continue to provide reports to Council until this procedure is fully implemented.

Financial Implications: See report

Contact: Peter Radu, City Manager's Office, (510) 981-7000

Action: See action for Item 8b.

8b. Companion Report: Notice, tracking and enforcement of California SB 1343 sexual harassment prevention training for Berkeley private, public and non-profit employers and employees

From: City Manager

Recommendation: Since the City is already implementing and meeting the Commission's recommendations for City employees, and enforcement of this law for non-City businesses for 5 or more employees is covered by the State of California's Civil Rights Department and not within the City's jurisdiction to enforce, no action on the commission's recommendation is recommended.

Financial Implications: None

Contact: David White, City Manager's Office, (510) 981-7000

Action: Approved recommendation in Item 8b.

Action Calendar – Public Hearings

9. Modification and Adoption of Berkeley Fire Code Local Amendments

From: City Manager

Recommendation: Conduct a public hearing, and upon conclusion, adopt the second reading of Ordinance No. 7,959-N.S. which proposes to amend certain portions of Section 19.48.020 of the Berkeley Municipal Code (“Amendments to the California Fire Code”).

First Reading Vote: All Ayes.

Financial Implications: Staff time

Contact: David Sprague, Fire, (510) 981-3473

Action: Second reading of Ordinance No. 7,959–N.S. is rescheduled to June 17, 2025 at the request of the City Manager.

10. ZAB Appeal: 1048 Keith Avenue, Use Permit ZP2024-0014

From: City Manager

Recommendation: Conduct a public hearing, and upon conclusion adopt a Resolution denying the appeal and affirming the Zoning Adjustment Board (ZAB) decision approving a Use Permit to demolish a 2,760 square-foot single-family dwelling, and construct a two-story (25 feet tall), 3,600 square-foot single-family dwelling. The project includes a reduction of the rear building setback from 20 feet to 15 feet, two unenclosed off-street parking spaces within the front setback, the construction of a trellis within the front setback, and the installation of a fence and retaining wall along the lot line.

Financial Implications: None

Contact: Jordan Klein, Planning and Development, (510) 981-7400

Public Testimony: The Mayor opened the public hearing. 17 speakers.

M/S/C (Taplin/Tregub) to close the public hearing.

Vote: Ayes – Kesarwani, Taplin, Bartlett, Tregub, Blackaby, Lunaparra, Humbert, Ishii; Noes - None; Abstain - None; Recused – O’Keefe (member of ZAB when project was previously heard).

Action: M/S/C (Humbert/Kesarwani) to adopt Resolution No. 71,757–N.S. to adopt a Resolution denying the appeal and affirming the Zoning Adjustment Board (ZAB) decision approving a Use Permit to demolish a 2,760 square-foot single-family dwelling, and construct a two-story (25 feet tall), 3,600 square-foot single-family dwelling. The project includes a reduction of the rear building setback from 20 feet to 15 feet, two unenclosed off-street parking spaces within the front setback, the construction of a trellis within the front setback, and the installation of a fence and retaining wall along the lot line.

Vote: Ayes – Kesarwani, Taplin, Bartlett, Tregub, Lunaparra, Humbert, Ishii; Noes - Blackaby; Abstain - None; Recused – O’Keefe (member of ZAB when project was previously heard).

Public Comment – Items Not Listed on the Agenda - 4 speakers.

Adjournment

Action: M/S/C (Blackaby/Kesarwani) to adjourn the meeting.

Vote: Ayes – Kesarwani, Taplin, Bartlett, Tregub, Blackaby, Lunaparra, Humbert, Ishii;
Noes - None; Abstain - None; Absent – O’Keefe.

Adjourned at 8:05 p.m.

I hereby certify that the foregoing is a true and correct record of the regular meeting held on May 6, 2025.

Mark Numainville, City Clerk

Communications

Item #1: Adoption of CALFIRE Map and Additional Areas Designated as the City of Berkeley Fire Hazard Severity Zones

1. Michael

Item #6: Contract No. 32200042 Amendment: WCG, Inc. for Updates to the BESO Program’s Salesforce Software System

2. Isla Peters (9)
3. Isabella Almeida (9)

EMBER

4. Carl & Nancy Mampaey
5. Julia Bazar
6. Stanley Wulf
7. Nenelle Bunnin
8. Linda Press Wulf

Fire Prevention Proposal

9. Marcia Umland and Robert Higginbotham
10. Geoff Reinhard

Alternative Housing Options

11. Carol Franger
12. Fran Haselsteiner
13. Erwan Illian
14. Office of the Mayor
15. Michael Yohay
16. David Lerman
17. D Dorenz

- 18. Brittany Yohay
- 19. Marian Macindoe
- 20. Sheila Press
- 21. Kathy
- 22. Andrew Pomerantz
- 23. Bryan Vale

Ohlone Park Concern

- 24. Holly Scheider
- 25. David Lerman
- 26. Carole Bennett-Simmons
- 27. Jennifer Kamenetz

Friends Annual Meeting

- 28. Cathy Brown

Berkeley Rides for Seniors

- 29. Larisa Cummings
- 30. Mukta Vie
- 31. Lynn Cooper
- 32. Julia Newton
- 33. Connie Arnold
- 34. Michai Freeman

Work Concerns

- 35. A Concerned Employee (2)

EHBO's Affordable Housing

- 36. Sophia DeWitt

Trees

- 37. Maria Tello

Enforcement Officers

- 38. Karen Weil

Homeless Guest

- 39. Travis Melvin

Public Restroom

- 40. Mike Kim

Vendor Process Inquiry

- 41. Aladdin Awad

Police Oversight

42. Nancy Lemon

Cooling Standards

43. Veena Nambiar (2)

Code Enforcement Concern

44. Willie Phillips

Willard Park

45. Pascale Fisher

Parking Concern

46. Shirley Kirsten

47. Sandra Sanchez

UC Berkeley Project

48. Tyler Lafayette

E-Scooters

49. Robert R. Byler

Nevada Cares Campus

50. John Craner

Bayer's 2024 Development Agreement Annual Report

51. Jennifer Cogley

Middle East Conflict

52. Russbumper

53. George Griener

54. Parker Keyes

Forwards

55. Russbumper

Screenshots

56. Josh Atwood (2)

57. Tom Luce

URL's

58. Russbumper (5)

59. Josh Atwood

60. Eids TV

Supplemental Communications and Reports 1

Item #1: Adoption of CALFIRE Map and Additional Areas Designated as the City of Berkeley Fire Hazard Severity Zones

Item #9: Modification and Adoption of Berkeley Fire Code Local Amendments

61. Geoff Reinhard (3)
62. Richard Segol
63. Nenelle Bunnin (3)
64. Monica, Scott, and Sammy Smith
65. Stephanie-Dolores Henkle (3)
66. Sheldon Greene
67. Rachel Silvers
68. Ronald Krauss
69. Christine Rosen
70. Tasha Isolani (2)
71. Alex and Elena Blanter
72. Margaret Cullen
73. Harris Brody
74. Sharon Pincus
75. Rhonda Gruska
76. Dani Winston
77. Connie Field and Pierre Divenyi
78. Mary Lee Noonan
79. John Dresslar and Erika Wodinsky
80. Jordan Crane
81. Jane Terjung and Dr. William Naylor
82. Leah Hennick
83. Ashley Kozel
84. Anne Torney
85. Lisa Brunet
86. Deidre Duhan (2)
87. John Stenzel
88. Jan Knecht
89. David Johnson
90. Alistair Sinclair and Nataliya Libina
91. Mary-Louise Hansen
92. Kent Oberheu
93. Krista Denton (3)
94. Vojin G. Oklodzija
95. Rachel Penn
96. Michael Travis and Linda Skory
97. Andrea Zirman
98. Jeremy Rosenblatt
99. Matt Jacobs
100. Janice Thomas
101. Andrew Grant
102. Janice Dost
103. Regina DiMaggio (2)

104. Mona Halaby
105. Tom Miller
106. Ronald Guy Corrie
107. Stephen and Susan Shimm (2)
108. Joan Lester
109. Phillip Yocum
110. Tom Francis (2)
111. Steve Tracy
112. Sylvie Sullivan
113. Gina Rieger
114. Norm Vance
115. Adrienne Cademenos
116. David Grewal and Daniela Cammack
117. John Ngai
118. Kim Marienthal
119. Katherine Hansen
120. C. and M. Sequin
121. David Scott
122. Elizabeth Ferguson
123. Ann Hoyer
124. Richard Hackenberg
125. Gail Machlis
126. Lynne Finley & Charles Taberski
127. Lynda Koolish
128. Lauren Parson
129. Rachael Goodhue
130. Laura Graham
131. Bruce Carter
132. Ethan Karp and Sue Lynn Thomas
133. George Perezvelez and Thomas Francis
134. Alex Mas
135. Mark Petrofsky
136. Susan and Paul Teicholz
137. Margaret Roos-Collins
138. June Hunt
139. Sandra Weber
140. Richard Laden
141. Michael Lonergan
142. Scott Murray
143. Pamela Montanaro
144. John Eric Bertko
145. Scott Seebass
146. Patricia Mapps
147. Darcy Hahn
148. Mary Heffron
149. James Beck

150. Barbara Gilbert
151. Mike Obrien
152. Maria Sakovich
153. Cynthia Sue Larson (3)
154. Colin Arnold
155. Jessica Foreman
156. David Pickell and Colleen Lye
157. Les Girouard
158. Rita and Jack Trumbo
159. Dale Rose
160. Tamara Abrams (2)
161. Liwei Yang (2)
162. Arlene Taylor
163. Amrita Singhal and Michael Tubach
164. Gail McGuire
165. Miki Tal
166. Kathleen Fitzpatrick and Andrew Jervis
167. Julie Mazur-Denison
168. Nancy Coan Torres
169. Alina Larson
170. Jennifer Breckler
171. Claire Kahane
172. Cscawthorn
173. Jule Dalstrand
174. Pat Robak (2)
175. Melissa Hafez
176. John Grossberg
177. Nancy and Daniel Manheim
178. Paul Friedman
179. CV Deering
180. Ginger Parnes
181. Dale Friedman
182. Francine Ostrem

Item #6: Contract No. 32200042 Amendment: WCG, Inc. for Updates to the BESO

183. David Lerman (2)

Item #8a: Notice, tracking and enforcement of California SB 1343 sexual harassment prevention training for Berkeley private, public and non-profit employers and employees

184. Okeya Vance-Dozier on behalf of the Commission on the Status of Women

Supplemental Communications and Reports 2

Item #1: Adoption of CALFIRE Map and Additional Areas Designated as the City of Berkeley Fire Hazard Severity Zones

Item #9: Modification and Adoption of Berkeley Fire Code Local Amendments

185. Javad Mirabal
186. Zohra Kalinkowitz
187. Penny Barron
188. Pat Robak
189. Cindy Larson
190. David A. Sprague (3)
191. Jane Terjung
192. Ajith and Anoma Amerasekera
193. Geoff (3)
194. Richard Hiersch
195. Travis Longcore and John Harte
196. Cody Andresen
197. Laura Haertling
198. Larry Hyman
199. Nenelle Bunnin (2)
200. Nina Caculitan
201. Joan Kresich
202. Janice Thomas (2)
203. Jeffrey Heller
204. Jacquelyn D. Evans
205. Monica, Scott, and Sammy Smith
206. Simone Miller
207. Lisba Fowler
208. Maggie Owsley
209. David Lerman
210. Matthew and OEnone Youngblood
211. Craig Peterson

Item #3: Contract: Diablo Fire Safe Council for Home Hardening Donations

212. Shivaom
213. David Sprague

Item #8a: Notice, tracking and enforcement of California SB 1343 sexual harassment prevention training for Berkeley private, public and non-profit employers and employees

214. Carole Marasovic

Item #10: ZAB Appeal: 1048 Keith Avenue, Use Permit ZP2024-0014

215. Peter Weiler and Lisa Rose (2)
216. Dominic & Zoe Glynn
217. Daniel Winokur and Anne Richardson
218. Gautam Jagannath
219. Michael J. Mugglebee
220. Aaron Forrest & Yasmin Vobis
221. Joachim Kainz

Supplemental Communications and Reports 3

Item #1 Adoption of CALFIRE Map and Additional Areas Designated as the City of Berkeley Fire Hazard Severity Zones

Item #9: Modification and Adoption of Berkeley Fire Code Local Amendments

- 222. Margaret Cullen (5)
- 223. Chief David Sprague (4)
- 224. Leslie Winkor (3)
- 225. Deb Morales (2)
- 226. Margaret Conkey
- 227. Mary Louise Zernicke
- 228. Jocelyn Sevilla
- 229. Colin Arnold (2)
- 230. Steve Tracy
- 231. Steve Taylor
- 232. Colleen Lye
- 233. Cindy Larson
- 234. Richard Hiersch
- 235. Nancy Gillette
- 236. Nadine Kreisberger
- 237. Barbara Freeman
- 238. David Forbes
- 239. Geoff
- 240. Leni Siegel
- 241. Evan Meyer

Item #7: Contract No. 117441-1 Amendment: Crisp Company for Painting Red Curbs to Enhance Compliance with California's Daylighting Law (Assembly Bill 413)

- 242. Ben Gerhardstein, on behalf of Walk Bike Berkeley

Item #10: ZAB Appeal: 1048 Keith Avenue, Use Permit ZP2024-0014

- 243. Presentation, submitted by Planning and Development Department
- 244. Lee Bridges
- 245. Will Harwood and Fang Xu
- 246. Leslie Winokur
- 247. Alyona Marenchuk
- 248. Gary Feiner
- 249. Matthew Feiner
- 250. Tony Quan and Alice Lee
- 251. Dan Haddick
- 252. Eric Scheie
- 253. Kajsa M. Minor

BERKELEY CITY COUNCIL SPECIAL MEETING MINUTES

TUESDAY, MAY 13, 2025

4:00 P.M.

2180 MILVIA STREET, BERKELEY, CA 94704 – REDWOOD ROOM
TELECONFERENCE LOCATION – 1619 EDITH STREET, BERKELEY, CA 94703

ADENA ISHII, MAYOR

Councilmembers:

DISTRICT 1 – RASHI KESARWANI
DISTRICT 2 – TERRY TAPLIN
DISTRICT 3 – BEN BARTLETT
DISTRICT 4 – IGOR TREGUB

DISTRICT 5 – SHOSHANA O'KEEFE
DISTRICT 6 – BRENT BLACKABY
DISTRICT 7 – CECILIA LUNAPARRA
DISTRICT 8 – MARK HUMBERT

This meeting will be conducted in a hybrid model with both in-person attendance and virtual participation.

*To access the meeting remotely use this URL: <https://cityofberkeley-info.zoomgov.com/j/1614066505>. To request to speak, use the “raise hand” function in Zoom. To join by phone: Dial **1-669-254-5252** or **1-833-568-8864 (Toll Free)** and enter Meeting ID: **161 406 6505**. To provide public comment, Press *9 and wait to be recognized by the Chair. To submit a written communication for the public record, email council@berkeleyca.gov.*

This meeting will be conducted in accordance with the Brown Act, Government Code Section 54953. Any member of the public may attend this meeting, however, if you are feeling sick, please do not attend the meeting in person. The City Council may take action related to any subject listed on the Agenda.

Pursuant to the City Council Rules of Procedure and State Law, the presiding officer may remove, or cause the removal of, an individual for disrupting the meeting. Prior to removing an individual, the presiding officer shall warn the individual that their behavior is disrupting the meeting and that their failure to cease their behavior may result in their removal. The presiding officer may then remove the individual if they do not promptly cease their disruptive behavior. “Disrupting” means engaging in behavior during a meeting of a legislative body that actually disrupts, disturbs, impedes, or renders infeasible the orderly conduct of the meeting and includes, but is not limited to, a failure to comply with reasonable and lawful regulations adopted by a legislative body, or engaging in behavior that constitutes use of force or a true threat of force.

Government Code Section 84308 (Levine Act) - *Parties to a proceeding involving a license, permit, or other entitlement for use are required to disclose if they made contributions over \$500 within the prior 12 months to any City employee or officer. Parties and participants with a financial interest are prohibited from making more than \$500 in contributions to a decisionmaker for the 12 months after the final decision is rendered on the proceeding. The above contribution disclosures and restrictions do not apply when the proceeding is competitively bid, or involves a personnel or labor contract. For more information, see Government Code Section 84308.*

Preliminary Matters

Roll Call: 4:07 p.m.

Present: Kesarwani, Taplin, Tregub, O'Keefe, Blackaby, Lunaparra, Humbert, Ishii

Absent: Bartlett

Councilmember Bartlett present at 4:10 p.m.

Public Comment - Limited to items on this agenda only – 0 speakers

CLOSED SESSION:

The City Council will convene in closed session to meet concerning the following:

1. CONFERENCE WITH LABOR NEGOTIATORS; GOVERNMENT CODE SECTION 54957.6

Negotiators: Paul Buddenhagen, City Manager, David White, Deputy City Manager, Sharon Friedrichsen, Budget Manager, Monica Walker, Interim Human Resources Director, Chaka Young, Employee Relations Manager

Employee Organizations: Berkeley Fire Fighters Association Local 1227 I.A.F.F., Berkeley Chief Fire Officers Association Local 1227 I.A.F.F., Berkeley Fire EMS Professionals Association, Berkeley Police Association; SEIU 1021 Community Services and Part-Time Recreation Activity Leaders, SEIU 1021 Maintenance and Clerical, IBEW Local 1245, Public Employee Union Local 1, Unrepresented Employees

Action: No reportable action taken.

2. CONFERENCE WITH REAL PROPERTY NEGOTIATORS PURSUANT TO GOVERNMENT CODE SECTIONS 54956.8:

Property Address: 200 Marina Blvd., Berkeley CA
Agency Negotiators: Scott Ferris, Parks, Recreation & Waterfront; Christina Erickson, Parks, Recreation & Waterfront
Negotiating Parties: City of Berkeley and 200 Marina Blvd LLC (Double Tree)
Property Owner: City of Berkeley
Under Negotiation: Lease Price and Terms

Action: No reportable action taken.

3. CONFERENCE WITH REAL PROPERTY NEGOTIATORS PURSUANT TO GOVERNMENT CODE SECTIONS 54956.8:

Property Address: 235 University Avenue, Berkeley CA
Agency Negotiators: Scott Ferris, Parks, Recreation & Waterfront; Christina Erickson, Parks, Recreation & Waterfront
Negotiating Parties: City of Berkeley and Yoonaco (Hana Japan)
Property Owner: City of Berkeley
Under Negotiation: Lease Price and Terms

Action: No reportable action taken.

4. CONFERENCE WITH REAL PROPERTY NEGOTIATORS PURSUANT TO GOVERNMENT CODE SECTIONS 54956.8:

Property Address: 199 Seawall Avenue, Berkeley CA
Agency Negotiators: Scott Ferris, Parks, Recreation & Waterfront; Christina Erickson, Parks, Recreation & Waterfront
Negotiating Parties: City of Berkeley and TSA Holdings
Property Owner: City of Berkeley
Under Negotiation: Lease Price and Terms

Action: No reportable action taken.

5. CONFERENCE WITH LEGAL COUNSEL – PENDING LITIGATION PURSUANT TO GOVERNMENT CODE SECTIONS 54956.9(a) and (d)(1):

a. *Welch v. City of Berkeley, et al.*, Alameda County Superior Court Case No. 23CV048497

Action: No reportable action taken.

b. *Leon v. City of Berkeley, et al.*, Alameda County Superior Court Case No. 24CV069677

Action: No reportable action taken.

OPEN SESSION:

No reportable action taken.

Adjournment

Action: M/S/C (Lunaparra/Bartlett) to adjourn the meeting.

Vote: All Ayes.

Adjourned at 6:17 p.m.

I hereby certify that the foregoing is a true and correct record of the closed session meeting held on May 13, 2025.

Mark Numainville, City Clerk

**MINUTES
SPECIAL MEETING OF THE
BERKELEY CITY COUNCIL**

**Tuesday, May 20, 2025
4:30 PM**

SCHOOL DISTRICT BOARD ROOM - 1231 ADDISON STREET, BERKELEY, CA 94702

TELECONFERENCE LOCATION - 1027D BANCROFT WAY, BERKELEY CA 94710

ADENA ISHII, MAYOR

Councilmembers:

DISTRICT 1 – RASHI KESARWANI

DISTRICT 2 – TERRY TAPLIN

DISTRICT 3 – BEN BARTLETT

DISTRICT 4 – IGOR TREGUB

DISTRICT 5 – SHOSHANA O'KEEFE

DISTRICT 6 – BRENT BLACKABY

DISTRICT 7 – CECILIA LUNAPARRA

DISTRICT 8 – MARK HUMBERT

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*To access the meeting remotely use this URL: <https://cityofberkeley-info.zoomgov.com/j/1615868875>. To request to speak, use the "raise hand" function in Zoom. To join by phone: Dial 1-669-254-5252 or 1-833-568-8864 (Toll Free) and enter Meeting ID: 161 586 8875. To provide public comment, Press *9 and wait to be recognized by the Chair. To submit a written communication for the public record, email council@berkeleyca.gov.*

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Government Code Section 84308 (Levine Act) - *Parties to a proceeding involving a license, permit, or other entitlement for use are required to disclose if they made contributions over \$500 within the prior 12 months to any City employee or officer. Parties and participants with a financial interest are prohibited from making more than \$500 in contributions to a decisionmaker for the 12 months after the final decision is rendered on the proceeding. The above contribution disclosures and restrictions do not apply when the proceeding is competitively bid, or involves a personnel or labor contract. For more information, see Government Code Section 84308.*

Preliminary Matters

Roll Call: 4:36 p.m.

Present: Taplin, Tregub, O’Keefe, Lunaparra, Humbert, Ishii

Absent: Kesarwani, Bartlett, Blackaby

Councilmember Kesarwani present at 4:41 p.m.

Action Calendar – Public Hearings

1. **Authorizing the Execution, Sale, and Delivery of Lease Revenue Notes for the Fire Administration and Training Project**

From: City Manager

Recommendation: Conduct a public hearing and upon conclusion adopt a Resolution authorizing the issuance and sale by the Berkeley Joint Powers Financing Authority of federally taxable Lease Revenue Notes in the aggregate principal amount of not to exceed \$11,000,000 to provide financing for the construction of improvements to property used for fire administration and training, and approving related documents and actions.

Financial Implications: See report

Contact: Henry Oyekanmi, Finance, (510) 981-7300

Public Testimony: The Mayor opened the public hearing. 0 speakers.

M/S/C (Tregub/Humbert) to close the public hearing.

Vote: Ayes – Kesarwani, Taplin, Tregub, O’Keefe, Lunaparra, Humbert, Ishii; Noes – None; Abstain – None; Absent – Bartlett, Blackaby.

Action: M/S/C (Tregub/Humbert) to adopt Resolution No. 71,758–N.S. authorizing the issuance and sale by the Berkeley Joint Powers Financing Authority of federally taxable Lease Revenue Notes in the aggregate principal amount of not to exceed \$11,000,000 to provide financing for the construction of improvements to property used for fire administration and training, and approving related documents and actions.

Vote: Ayes – Kesarwani, Taplin, Tregub, O’Keefe, Lunaparra, Humbert, Ishii; Noes – None; Abstain – None; Absent – Bartlett, Blackaby.

Action Calendar – New Business

2. Issuance of \$35,000,000 General Obligation Bonds for Measure O – Affordable Housing

From: City Manager

Recommendation: Adopt a Resolution authorizing the issuance and sale of general obligation bonds to finance acquisition and improvement of affordable housing and authorizing actions related thereto.

Financial Implications: See report

Contact: Henry Oyekanmi, Finance, (510) 981-7300

Action: 0 speakers. M/S/C (Tregub/Humbert) to adopt Resolution No. 71,759–N.S. authorizing the issuance and sale of general obligation bonds to finance acquisition and improvement of affordable housing and authorizing actions related thereto.

Vote: Ayes – Kesarwani, Taplin, Tregub, O’Keefe, Lunaparra, Humbert, Ishii; Noes – None; Abstain – None; Absent – Bartlett, Blackaby.

Adjournment

Action: M/S/C (Taplin/Humbert) to adjourn the meeting.

Vote: Ayes – Kesarwani, Taplin, Tregub, O’Keefe, Lunaparra, Humbert, Ishii; Noes – None; Abstain – None; Absent – Bartlett, Blackaby.

Adjourned at 5:17 p.m.

I hereby certify that the foregoing is a true and correct record of the special meeting held on May 20, 2025.

Mark Numainville, City Clerk

Communications

- None

Supplemental Communications and Reports 1

- None

Supplemental Communications and Reports 2

- None

Supplemental Communications and Reports 3

Item #1: Authorizing the Execution, Sale, and Delivery of Lease Revenue Notes for the Fire Administration and Training Project

1. Presentation, submitted by the Finance Department

MINUTES
BERKELEY CITY COUNCIL MEETING
Tuesday, May 20, 2025
6:00 PM

SCHOOL DISTRICT BOARD ROOM - 1231 ADDISON STREET, BERKELEY, CA 94702

TELECONFERENCE LOCATION - 1027D BANCROFT WAY, BERKELEY CA 94710

ADENA ISHII, MAYOR

Councilmembers:

DISTRICT 1 – RASHI KESARWANI
DISTRICT 2 – TERRY TAPLIN
DISTRICT 3 – BEN BARTLETT
DISTRICT 4 – IGOR TREGUB

DISTRICT 5 – SHOSHANA O’KEEFE
DISTRICT 6 – BRENT BLACKABY
DISTRICT 7 – CECILIA LUNAPARRA
DISTRICT 8 – MARK HUMBERT

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Preliminary Matters

Roll Call: 6:08 p.m.

Present: Kesarwani, Taplin, Tregub, O’Keefe, Blackaby, Lunaparra, Humbert, Ishii

Absent: Bartlett

Land Acknowledgement Statement: *The City of Berkeley recognizes that the community we live in was built on the territory of xučyun (Huchiun (Hooch-yoon)), the ancestral and unceded land of the Chochochenyo (Cho-chen-yo)-speaking Ohlone (Oh-low-nee) people, the ancestors and descendants of the sovereign Verona Band of Alameda County. This land was and continues to be of great importance to all of the Ohlone Tribes and descendants of the Verona Band. As we begin our meeting tonight, we acknowledge and honor the original inhabitants of Berkeley, the documented 5,000-year history of a vibrant community at the West Berkeley Shellmound, and the Ohlone people who continue to reside in the East Bay. We recognize that Berkeley’s residents have and continue to benefit from the use and occupation of this unceded stolen land since the City of Berkeley’s incorporation in 1878. As stewards of the laws regulating the City of Berkeley, it is not only vital that we recognize the history of this land, but also recognize that the Ohlone people are present members of Berkeley and other East Bay communities today. The City of Berkeley will continue to build relationships with the Lisjan Tribe and to create meaningful actions that uphold the intention of this land acknowledgement.*

Ceremonial Matters:

1. Recognition of Jewish American Heritage Month
2. Recognition of Affordable Housing Month
3. Recognition of Asian-American Pacific Islander Heritage Month
4. Adjourned in memory of Christina Murphy, City of Berkeley Employee and former Rent Board Commissioner

City Manager Comments:

The City Manager extended condolences to the family of Christina Murphy and noted her positive impact on the community as a City employee.

Public Comment on Non-Agenda Matters: 8 speakers.

Consent Calendar

Public Comment on Consent Calendar and Information Items Only: 20 speakers.

Action: M/S/C (Ishii/Tregub) to add an item to the agenda titled “Excused Absence for Councilmember Ben Bartlett” pursuant to Government Code Section (54954.2(b)(2).

Vote: Ayes – Kesarwani, Taplin, Tregub, O’Keefe, Blackaby, Lunaparra, Humbert, Ishii; Noes – None; Abstain – None; Absent – Bartlett.

Action: M/S/C (Tregub/Humbert) to adopt the Consent Calendar in one motion except as indicated.

Vote: Ayes – Kesarwani, Taplin, Tregub, O’Keefe, Blackaby, Lunaparra, Humbert, Ishii; Noes – None; Abstain – None; Absent – Bartlett.

Consent Calendar

Urgent Item: Excused Absence for Councilmember Ben Bartlett

From: Mayor Ishii (Author)

Recommendation: Excuse Councilmember Ben Bartlett from the May 20, 2025 council meeting as a result of a medical procedure connected to a medical illness/condition.

Financial Implications: None

Contact: Adena Ishii, Mayor, (510) 981-7100

Action: Approved recommendation.

1. Adding an additional qualifying skillset for appointment to Measure FF Safe Streets Citizen Oversight Committee (SSCOC); Amending Berkeley Municipal Code Section 7.11.040

From: Councilmember Blackaby (Author), Councilmember Tregub (Co-Sponsor), Mayor Ishii (Co-Sponsor)

Recommendation: Adopt second reading of Ordinance No. 7,960-N.S. approving an amendment to the Measure FF SAFE STREETS Citizen Oversight Committee (SSCOC) Resolution and Ordinance approved for establishment at the March 18, 2025 Council Meeting, to add an additional qualifying skillset for appointment: a background in ADA compliance and the accessible infrastructure challenges that seniors and disabled community members face.

First Reading Vote: Ayes – Kesarwani, Taplin, Bartlett, Tregub, Blackaby, Lunaparra, Humbert, Ishii; Noes – None; Abstain – None; Absent – O’Keefe.

Financial Implications: See report

Contact: Brent Blackaby, Councilmember, District 6, (510) 981-7160

Action: Adopted second reading of Ordinance No. 7,960–N.S.

2. Amendment: FY 2025 Annual Appropriations Ordinance

From: City Manager

Recommendation: Adopt the first reading of an Ordinance amending the FY 2025 Annual Appropriations Ordinance No. 7,940–N.S. for fiscal year 2025 based upon recommended re-appropriation of committed FY 2025 funding and other adjustments in the amount of \$78,091,135 (gross) and \$58,150,646 (net).

Financial Implications: See report

Contact: Sharon Friedrichsen, Budget Manager, (510) 981-7000

Action: Adopt first reading of Ordinance No. 7,961–N.S. with revisions in Supplemental Communications Packet #2 from City Manager’s Office to add \$129,000 in the FEMA Fund (Fund 340) to pay for FEMA construction grant reimbursement requests; and to add \$7,500,000 in the Fire Admin Training Fund (Fund 514) to pay for Headquarters Lease Bond Escrow account; with revised dollar amounts of \$85,720,135 (gross) and \$58,279,646 (net). Second reading scheduled for June 3, 2025.

Consent Calendar

- 3. Minutes for Approval**
From: City Manager
Recommendation: Approve the minutes for the Council meetings of April 14, 2025 (closed), April 15, 2025 (special and regular), April 22, 2025 (special), April 25, 2025 (special), April 28, 2025 (special) and April 29, 2025 (regular).
Financial Implications: None
Contact: Mark Numainville, City Clerk, (510) 981-6900
Action: Approved the minutes as submitted.
- 4. Contract Townsend Public Affairs, Inc. for Legislative and Funding Advocacy Strategy**
From: City Manager
Recommendation: Adopt a Resolution authorizing the City Manager to execute a contract and any necessary amendments with Townsend Public Affairs, Inc. for an ongoing tailored legislative and funding advocacy strategy from July 1, 2025, to June 30, 2027 for a total contract amount not to exceed \$108,000.
Financial Implications: See report
Contact: David White, City Manager's Office, (510) 981-7000
Action: Adopted Resolution No. 71,760–N.S.
- 5. Appointment of Director of Human Resources**
From: City Manager
Recommendation: Adopt a Resolution confirming the appointment of Janelle Rodrigues as the Director of Human Resources to be effective June 9, 2025, at an annual salary of \$240,000.
Financial Implications: See report
Contact: David White, City Manager's Office, (510) 981-7000
Action: Adopted Resolution No. 71,761–N.S.
- 6. Formal Bid Solicitations and Request for Proposals Scheduled for Possible Issuance After Council Approval on May 20, 2025**
From: City Manager
Recommendation: Approve the request for proposals or invitation for bids (attached to staff report) that will be, or are planned to be, issued upon final approval by the requesting department or division. All contracts over the City Manager's threshold will be returned to Council for final approval.
Financial Implications: See report
Contact: Henry Oyekanmi, Finance, (510) 981-7300
Action: Approved recommendation.

Consent Calendar

- 7. Contract No: 32300104 Amendment: The Village of Love for Telegraph Neighborhood Sacred Rest Drop-In Center**
From: City Manager
Recommendation: Adopt a Resolution authorizing the City Manager or his designee, to execute an amendment to Contract No. 32300104 with The Village of Love to add \$250,000, for a total contract amount not to exceed \$1,000,000, for services and operations at the Telegraph Neighborhood Sacred Rest Drop-In Center and extend the contract term through May 31, 2026.
Financial Implications: See report
Contact: Scott Gilman, Health, Housing, and Community Services, (510) 981-5400
Action: Adopted Resolution No. 71,762–N.S.
- 8. Funding Application: California Affordable Housing and Sustainable Communities Infrastructure in connection with the proposed North Berkeley BART Affordable Housing Project**
From: City Manager
Recommendation: Adopt a Resolution: 1) Authorizing the City Manager to negotiate, enter into, and cause the City to perform its obligation under an agreement (including amendments) with East Bay Asian Local Development Consortium (EBALDC) and/or their affiliate relating to a funding application to the California Affordable Housing and Sustainable Communities (AHSC) program for project-related transportation and infrastructure improvements for the North Berkeley BART (NBB) EBALDC Affordable Housing Project at the North Berkeley BART Station Area, for a total AHSC award amount of up to \$50 million. 2) Authorizing the City Manager to accept up to \$5.4 million in state Affordable Housing and Sustainable Communities (AHSC) funds and complete selected transportation improvements if awarded.
Financial Implications: See report
Contact: Scott Gilman, Health, Housing, and Community Services, (510) 981-5400
Action: Adopted Resolution No. 71,763–N.S.
- 9. Revenue Grant Agreements: Funding Support from the State of California and Alameda County to Conduct Public Health Services**
From: City Manager
Recommendation: Adopt two Resolutions authorizing the City Manager or designee to submit grant agreements to the California Department of Public Health (CDPH) and Alameda County, to accept the grants, and execute any resultant revenue agreements and amendments to conduct public health promotion, protection, and prevention services for the following two revenue agreements: (1) Tuberculosis (TB) Prevention and Control in the projected amount of \$33,688 for Fiscal Year (FY) 2026 from CDPH. (2) Public Health Infrastructure Program in the projected amount of \$32,080 for FY 2026 from Alameda County.
Financial Implications: See report
Contact: Scott Gilman, Health, Housing, and Community Services, (510) 981-5400
Action: Adopted Resolution No. 71,764–N.S. (Tuberculosis Prevention), and Resolution No. 71,765–N.S. (Public Health Infrastructure).

Consent Calendar

- 10. Adopt a Resolution Establishing the Unrepresented Job Class Specification and Pay Scale of Fire Mechanic Lead**
From: City Manager
Recommendation: Adopt a Resolution establishing the unrepresented job class specification and pay scale of Fire Mechanic Lead as outlined, with an hourly pay range of \$51.0771 - \$54.1740.
Financial Implications: See report
Contact: Monica Walker, Human Resources, (510) 981-6800
Action: Adopted Resolution No. 71,766–N.S.
- 11. Revise the Personnel Rules and Regulations to Add Section 9.02.1 Promotion – Salary Step Placement**
From: City Manager
Recommendation: Adopt a Resolution revising the Personnel Rules and Regulations to add Section 9.02.1 Promotion – Salary Step Placement, which affords promotional placement on the step closest to the employee’s current earning rate that is at least 10% higher.
Financial Implications: See report
Contact: Monica Walker, Human Resources, (510) 981-6800
Action: Adopted Resolution No. 71,767–N.S.
- 12. Revise SEIU-MC MOU Section 17.13 Special Class Commercial Driver’s License Premium to Add 5% for Out-of-Class Lists**
From: City Manager
Recommendation: Adopt a Resolution revising the Service Employees International Union (SEIU) Local 1021, Maintenance and Clerical (“Union”) Memorandum of Understanding Section 17.13 Special Class Commercial Driver’s License Premium to apply 5% differential to employees who maintain a Class A driver’s license and are approved to serve on out-of-class lists for Tractor Trailer Driver and Construction Equipment Operator.
Financial Implications: See report
Contact: Monica Walker, Human Resources, (510) 981-6800
Action: Adopted Resolution No. 71,768–N.S.
- 13. Revise Unrepresented Manual Section 13.19 to Add 5% Differential to Program Manager I Assigned to City Manager’s Office**
From: City Manager
Recommendation: Adopt a Resolution amending the Unrepresented Employee Manual to add a 5% salary differential to Program Manager I positions assigned to the City Manager’s Office.
Financial Implications: See report
Contact: Monica Walker, Human Resources, (510) 981-6800
Action: Adopted Resolution No. 71,769–N.S.

Consent Calendar

- 14. Contract Amendment No. 10789: AMS.NET for Network Hardware, Installation and Professional Support services**
From: City Manager
Recommendation: Adopt a Resolution authorizing the City Manager to amend Contract No. 10789 with AMS.NET, Inc. for network support of hardware, installation and professional services, for an additional \$300,000 for a total not to exceed of \$1,270,778.14 from July 1, 2017 to June 30, 2026.
Financial Implications: See report
Contact: Kevin Fong, Information Technology, (510) 981-6500
Action: Adopted Resolution No. 71,770–N.S.
- 15. Contract No. 084534-1 Amendment: NextGen Health Care Information Systems Inc. for Electronic Health Records**
From: City Manager
Recommendation: Adopt a Resolution authorizing the City Manager to amend Contract No. 084534-1 with NextGen Healthcare Information Systems, Inc. (“NextGen”), increasing the amount by \$191,136 for a total contract value not to exceed \$1,010,472.20 and extending the term from September 30, 2010 through June 30, 2026.
Financial Implications: See report
Contact: Kevin Fong, Information Technology, (510) 981-6500
Action: Adopted Resolution No. 71,771–N.S.
- 16. Protiviti Government Services Inc (“Protiviti”): Using General Services Administration (“GSA”) Vehicle for Professional Services Purchase Orders**
From: City Manager
Recommendation: Adopt a Resolution authorizing the City Manager to issue purchase orders with Protiviti for the procurement of professional services using the GSA purchasing vehicle no. GS-35F-0280X for an amount not to exceed \$900,000 through June 30, 2026.
Financial Implications: See report
Contact: Kevin Fong, Information Technology, (510) 981-6500
Action: Adopted Resolution No. 71,772–N.S.
- 17. Purchase Order: Operation Pride for tennis programs and tournaments**
From: City Manager
Recommendation: Adopt a Resolution authorizing the City Manager to execute a purchase order and any amendments with Operation Pride to provide youth and adult tennis services and tournaments for a total amount not to exceed \$150,000 through June 30, 2026.
Financial Implications: See report
Contact: Scott Ferris, Parks, Recreation and Waterfront, (510) 981-6700
Action: Adopted Resolution No. 71,773–N.S.

Consent Calendar

- 18. Purchase Order: Samuel Kidane dba Life Long Tennis Academy**
From: City Manager
Recommendation: Adopt a Resolution authorizing the City Manager to execute a purchase order and any amendments with Samuel Kidane dba Life Long Tennis Academy to provide youth and adult tennis services for the City of Berkeley for a total amount not to exceed \$270,000 through June 20, 2026.
Financial Implications: See report
Contact: Scott Ferris, Parks, Recreation and Waterfront, (510) 981-6700
Action: Adopted Resolution No. 71,774–N.S.
- 19. Contract No. 32400029 Amendment: Baldoni Construction Services, Inc. for Echo Lake Camp Accessibility Upgrades**
From: City Manager
Recommendation: Adopt a Resolution increasing the not to exceed amount for Contract No. 32400029 with Baldoni Construction Service, Inc. for the Echo Lake Camp Accessibility Upgrades Project by \$60,000 for an amended total not to exceed \$616,953.
Financial Implications: See report
Contact: Scott Ferris, Parks, Recreation and Waterfront, (510) 981-6700
Action: Adopted Resolution No. 71,775–N.S.
- 20. Contract No. 32400003 Amendment: Cooke & Associates Background Investigations**
From: City Manager
Recommendation: Adopt a Resolution authorizing the City Manager to execute a contract amendment with Cooke & Associates, a background investigation services provider for public safety personnel, to increase the contract amount by \$280,000 to a total contract of \$580,000 and extend the contract term for two additional years expiring on July 31, 2028. This amendment will allow the Berkeley Police Department (BPD) and Berkeley Fire Department (BFD) to continue utilizing Cooke & Associates for timely, thorough, and high-quality background investigations of candidates, and will provide the City Manager with the authority to spend funds as needed under the amended contract to support ongoing public safety hiring needs.
Financial Implications: See report
Contact: Jennifer Louis, Police, (510) 981-5900
Action: Adopted Resolution No. 71,776–N.S.
- 21. 2024 Police Equipment and Community Safety Ordinance Annual Report**
From: City Manager
Recommendation: Adopt a Resolution approving the 2024 Police Equipment and Community Safety Ordinance Annual Report.
Financial Implications: See report
Contact: Jennifer Louis, Police, (510) 981-5900
Action: Adopted Resolution No. 71,777–N.S.
Vote: Ayes – Kesarwani, Taplin, Tregub, O’Keefe, Blackaby, Humbert, Ishii; Noes – None; Abstain – Lunaparra; Absent – Bartlett.

Consent Calendar

- 22. Contract: Shaw Integrated and Turf Solutions Inc., for Civic Center Building, Second Floor Carpet Replacement Project**
From: City Manager
Recommendation: Adopt a Resolution: (1) Accepting the California Multiple Award Schedule (CMAS) bid procedures, pursuant to City Charter Article XI Section 67.2 requirements; (2) Approving the CMAS Contract with Shaw Integrated and Turf Solutions, Inc. for Carpet Replacements at the Civic Center Building located at 2180 Milvia; (3) Authorizing the City Manager to execute a contract and any amendments, extensions or other change orders until completion of the project in accordance with the terms and conditions of the agreements with Shaw Integrated and Turf Solutions, Inc. in an amount not to exceed \$147,096, including a \$13,372 contingency.
Financial Implications: See report
Contact: Terrance Davis, Public Works, (510) 981-6300
Action: Adopted Resolution No. 71,778–N.S.
- 23. Contract No. 081671-1 (8318C) Amendment: RouteSmart Technologies, Inc. Software Maintenance**
From: City Manager
Recommendation: Adopt a Resolution authorizing the City Manager to amend Contract No. 81671-1 (8318C) with RouteSmart Technologies Inc. to increase the contract by \$25,000, for a total not to exceed amount of \$235,743, to fund software license maintenance and support services, from June 30, 2025 through June 30, 2026.
Financial Implications: See report
Contact: Terrance Davis, Public Works, (510) 981-6300
Action: Adopted Resolution No. 71,779–N.S.
- 24. Declaration of Intent – Fiscal Year 2026 Street Lighting Assessments**
From: City Manager
Recommendation: Adopt two Resolutions granting the City Manager the authority to: (1) Approve the Engineer's Reports; (2) Set a public hearing to be held before the Council of the City of Berkeley at its June 17, 2025, meeting; and (3) Authorize the City Clerk to publish a Notice of the Public Hearing for Fiscal Year 2026 Levy of Assessments for Berkeley Street Lighting Assessment District No. 1982-1 and Street Lighting Assessment District 2018.
Financial Implications: See report
Contact: Terrance Davis, Public Works, (510) 981-6300
Action: Adopted Resolution No. 71,780–N.S. (District No. 1982-1) and Resolution No. 71,781–N.S. (District 2018).

Consent Calendar

25. **Authorization for City Manager to evaluate policies to accelerate building decarbonization**
From: Environment and Climate Commission
Recommendation: Authorize the City Manager to evaluate and develop amendments to the 2025 Energy and CALGreen Codes and/or other ordinances to accelerate building decarbonization for Council consideration.
Financial Implications: None
Contact: Sarah Moore, Commission Secretary, (510) 981-7400
Action: Approved recommendation.

Council Consent Items

26. **Letter in Support of California State Senate Bill 692 (Arreguín) Relating to Vehicles and Homelessness**
From: Councilmember Taplin (Author), Councilmember Kesarwani, Councilmember Humbert (Co-Sponsor), Councilmember Blackaby (Co-Sponsor)
Recommendation: Adopt a letter in support of California State Senate Bill 692 (Arreguín), relating to vehicles and homelessness, and distribute copies to Governor Gavin Newsom, State Senator Jesse Arreguín, State Assemblymember Buffy Wicks, State Senate President Pro Tempore Mike McGuire, and State Assembly Speaker Robert Rivas.
Financial Implications: See report
Contact: Terry Taplin, Councilmember, District 2, (510) 981-7120
Action: Approved recommendation.
Vote: Ayes – Kesarwani, Taplin, Tregub, O’Keefe, Blackaby, Humbert, Ishii; Noes – None; Abstain – Lunaparra; Absent – Bartlett.
27. **A resolution recognizing the Middle Eastern and North African (MENA) community and urging support for Assembly Bill 91 — the “MENA Inclusion Act” (Harabedian)**
From: Councilmember Tregub (Author), Mayor Ishii (Co-Sponsor), Councilmember Bartlett (Co-Sponsor)
Recommendation: Adopt a Resolution in support of California Assembly Bill 91, the Middle Eastern and North African (MENA) Inclusion Act (Harabedian), to ensure accurate and equitable demographic data collection for MENA communities. This bill mandates the creation of distinct categories for MENA groups in official demographic data, starting on January 1, 2027.
Financial Implications: See report
Contact: Igor Tregub, Councilmember, District 4, (510) 981-7140
Action: Councilmember Blackaby added as a co-sponsor. Adopted Resolution No. 71,782–N.S.

Council Consent Items

- 28. Relinquishment of Council Office Budget Funds from General Funds and Grant of Such Funds to the annual Asian Cultural Festival**
From: Councilmember Tregub (Author), Mayor Ishii (Co-Sponsor), Councilmember Kesarwani (Co-Sponsor), Councilmember Lunaparra (Co-Sponsor)
Recommendation: Adopt a Resolution authorizing the expenditure of up to \$500 per Mayor/Councilmember from their D13 Discretionary Accounts, including \$500 from the Mayor and Councilmember Tregub, and contributions of \$250 each from Councilmembers Kesarwani, and Lunaparra. Other Councilmembers are invited to contribute to support annual Asian Cultural Festival in an amount of up to \$500. Funds will be transferred to the City's general fund and provided to the designated fiscal sponsor of the festival to ensure its successful production and community engagement.
 The relinquishment of funds from the respective discretionary Council Office Budgets of such members of the Berkeley City Council who wish to contribute will support this impactful event, promoting cultural exchange, unity, and celebration of Berkeley's rich Asian American communities
Financial Implications: See report
 Contact: Igor Tregub, Councilmember, District 4, (510) 981-7140
Action: Adopted Resolution No. 71,783–N.S. revised to include contributions from the following Councilmembers up to the amounts listed: Councilmember Blackaby - \$250; Councilmember Humbert - \$250.
- 29. Alternative Housing Options for People Experiencing Homelessness** *(Reviewed by the Health, Life Enrichment, Equity & Community Committee)*
From: Councilmember O'Keefe (Author), Mayor Ishii (Co-Sponsors), Councilmember Blackaby (Co-Sponsors), Councilmember Lunaparra (Co-Sponsor)
Recommendation: Refer to the City Manager a request for staff to identify a list of potential locations of City-owned and private properties (to be leased or acquired) – for the purpose of establishing 24/7 staffed shelter sites, including but not limited to indoor/outdoor camping areas, safe RV and car park zones, and/or congregate or non-congregate shelters for people experiencing homelessness based on the model used at Grayson Street and other models deemed successful by the City Manager. Further, refer to the City Manager to provide a report to the City Council that includes:
 (1) Ongoing efforts to address homelessness and the mental health crisis within Berkeley's jurisdiction, including the work of non-governmental organizations the City is relying upon and, where possible, the cost thereof. (2) A gap analysis between resources required by the City to fully address homelessness and its current financial position. (3) A feasibility and cost analysis of Berkeley's ability to support additional shelter or services sites, including staffing and operational constraints. (4) A geographic equity assessment of where homeless services, shelters, and encampments have historically been and currently are located in Berkeley. (5) Opportunities to partner with Alameda County and other public agencies to utilize County, other governing jurisdictions, or state-owned land for temporary shelter and

Council Consent Items

services outside of Berkeley's most heavily impacted neighborhoods. Moreover, refer to the City Manager to identify additional funding opportunities available through 2024 Measure W and affirm the City Council's position that local jurisdictions such as Berkeley, that are heavily impacted by the housing and mental health crisis, should be considered for an equitable share and speedy receipt of 2024 Proposition 1 funding from Alameda County.

Refer to the City Manager to affirm that the City Council's position is that, to the greatest extent possible, Measure W and other locally sourced funds should be used to support Berkeley-specific homelessness service needs.

Support the City Manager in collaborating with Alameda County and other neighboring jurisdictions to identify potential sites outside of Berkeley city limits that may be suitable and more cost-effective than sites within Berkeley.

Furthermore, affirm support for the following principles: 1. County resource investment in homelessness across the region should align proportionally with where homelessness is most prevalent and ensure support achieves racially equitable outcomes; 2. The use of Measure W and other funding for homelessness guided by Home Together 2030 Plan should be a local decision, with cities deciding how to divvy up investment between prevention, interim, and permanent housing; 3. Local priority for referrals into interim and permanent solutions – including everything from safe parking to shelter to permanent supportive housing and Homekey projects – should be commensurate with the level of funding provided; 4. Sustaining nonprofit capacity: (a) The homelessness response system relies heavily on nonprofit partners, many of whom face challenges in retaining staff due to funding constraints, salary limitations, and administrative burdens. (b) Measure W funding presents an opportunity to support not just direct services but also nonprofit infrastructure, helping organizations improve long-term sustainability. (c) Considerations include ensuring competitive wages, investing in staff retention strategies, and providing operational support. (d) Bonus funding consideration could be given to organizations that prioritize workforce sustainability through: (i) Competitive salaries and benefits for frontline staff; (ii) Efforts to retain high-performing, low-turnover teams; (iii) Investments in administrative capacity that enhance service quality and long-term viability

Policy Committee Recommendation:

Send item to Council with a qualified positive recommendation which include the following proposed amendments:

Refer to the City Manager a request for staff to identify a list of potential locations of City properties and private properties (to be leased or acquired) – for the purpose of establishing 24/7 staffed shelter sites, including but not limited to indoor/outdoor camping areas, safe RV and car park zones, and/or congregate or non-congregate shelters for people experiencing homelessness based on the model used at Grayson Street and other models deemed by the City Manager to be successful.

Further, direct the City Manager to provide a report to the City Council of ongoing efforts to address the homelessness and mental health crisis within Berkeley's jurisdiction, including efforts by non-governmental organizations the city is relying upon, where possible, including the costs thereof, and a gap analysis between the resources required by the City to fully address homelessness and its current financial

Council Consent Items

position.

As part of this report, direct the City Manager:

- 1) Conduct a feasibility and cost analysis of Berkeley's ability to support additional shelter or service sites, including staffing and operational constraints*
 - 2) Include a geographic equity assessment of where homeless services, shelters, and encampments have historically and currently been located in Berkeley;*
 - 3) Identify opportunities to partner with Alameda County and other public agencies to utilize County, other governing jurisdictions – or state-owned land for temporary shelter and services outside of Berkeley's most heavily impacted neighborhoods*
- Direct the City Manager to identify any additional funding opportunities available through 2024 Measure W and affirm the City Council's position that local jurisdictions such as Berkeley that are heavily impacted by the housing and mental health crisis should be considered for an equitable share and speedy receipt of 2024 Proposition 1 funding from Alameda County. Further, direct the City Manager to affirm that the City Council's position is that, to the extent possible, Measure W and any other locally sourced funds should be used to support Berkeley-specific homelessness services needs.*

Support the City Manager in collaborating with Alameda County and other neighboring jurisdictions to identify potential sites outside of Berkeley city limits that may be suitable and more cost-effective than additional sites within Berkeley.

Further, affirm support for the following principles:

- 1. County resource investment in homelessness across the region should be commensurate with where homelessness occurs and targeted for racially equitable outcomes*
- 2. Measure W and other funding for homelessness guided by Home Together 2030: Should be a Local City decision on the split between prevention, interim, and permanent housing*
- 3. Local (City level) priority for referrals into interim and permanent solutions (including everything from safe parking to shelter to permanent supportive housing/HomeKey projects), commensurate with local funding.*
- 4. Sustaining Nonprofit Capacity*
 - The homelessness response system relies heavily on nonprofit partners, many of whom face challenges in retaining staff due to funding constraints, salary limitations, and administrative burdens.*
 - Measure W funding presents an opportunity to support not just direct services but also nonprofit infrastructure, helping organizations improve long-term sustainability.*
 - Considerations include ensuring competitive wages, investing in staff retention strategies, and providing operational support.*
 - Bonus funding consideration could be given to organizations that prioritize workforce sustainability through:*
 - Competitive salaries and benefits for frontline staff.*
 - Efforts to retain high-performing, low-turnover teams.*
 - Investments in administrative capacity that enhance service quality and long-term viability.*

Financial Implications: See report

Council Consent Items

Contact: Shoshana O’Keefe, Councilmember, District 5, (510) 981-7100

Action: Approved recommendation as recommended by the Health, Life Enrichment, Equity & Community Committee with the addition to request that the City Manager send a letter to the Alameda County Board of Supervisors communicating the Council’s principles outlined above.

Action Calendar – Public Hearings

30. FY 2026 Proposed Mid-Biennial Budget Update and Public Hearing #1

From: City Manager

Recommendation: Receive the FY 2026 Proposed Mid-Biennial Budget Update and conduct Public Hearing #1 on the FY 2026 Proposed Mid-Biennial Budget Update.

Financial Implications: See report

Contact: Sharon Friedrichsen, Budget Manager, (510) 981-7000

Public Testimony: The Mayor opened the public hearing. 25 speakers.

M/S/C (Tregub/Blackaby) to close the public hearing.

Vote: Ayes – Kesarwani, Taplin, Tregub, O’Keefe, Blackaby, Lunaparra, Humbert, Ishii; Noes – None; Abstain – None; Absent – Bartlett.

Action: M/S/C (Taplin/Tregub) to suspend the rules and extend the meeting to 12:00 a.m.

Vote: Ayes – Kesarwani, Taplin, Tregub, O’Keefe, Blackaby, Lunaparra, Humbert, Ishii; Noes – None; Abstain – None; Absent – Bartlett.

Action: M/S/C (Ishii/Kesarwani) to 1) receive the Budget Update from the City Manager, and 2) request that the City Manager work with Charter Officers to develop a plan for a hiring freeze and vacant positions.

Vote: Ayes – Kesarwani, Taplin, Tregub, O’Keefe, Blackaby, Lunaparra, Humbert, Ishii; Noes – None; Abstain – None; Absent – Bartlett.

Action Calendar – Public Hearings

31. LPC Appeal: 2500-2512 San Pablo Avenue, Landmark Application #LMIN2024-0004

From: City Manager

Recommendation: Conduct a public hearing, and upon conclusion, adopt a Resolution affirming the Landmarks Preservation Commission (LPC) decision to designate 2500-2512 San Pablo Avenue (APN: 054-1780-004-12) a City of Berkeley Landmark, and dismiss the appeal.

Financial Implications: See report

Contact: Jordan Klein, Planning and Development, (510) 981-7400

Public Testimony: The Mayor opened the public hearing. 2 speakers.

M/S/C (Humbert/Lunaparra) to close the public hearing.

Vote: Ayes – Kesarwani, Taplin, Tregub, O’Keefe, Blackaby, Lunaparra, Humbert, Ishii; Noes – None; Abstain – None; Absent – Bartlett.

Action: M/S/C (Tregub/Humbert) to adopt Resolution No. 71,784–N.S. affirming the Landmarks Preservation Commission (LPC) decision to designate 2500-2512 San Pablo Avenue (APN: 054-1780-004-12) a City of Berkeley Landmark, and dismiss the appeal with the amendment to remove from the list of features to be preserved bullet #2 regarding one-story massing, and modify bullet #5 to remove all instances of the words “storefront” and “storefronts.”

Vote: Ayes – Kesarwani, Taplin, Tregub, O’Keefe, Blackaby, Lunaparra, Humbert, Ishii; Noes – None; Abstain – None; Absent – Bartlett.

32. Appointment of Four Berkeley Residents to the SAFE STREETS Citizen Oversight Committee

From: City Manager

Recommendation: Adopt a Resolution confirming the appointments of up to four Berkeley residents to the SAFE STREETS Citizen Oversight Committee (SSCOC), to be appointed by the City Council as a whole.

Financial Implications: See report

Contact: Mark Numainville, City Clerk, (510) 981-6900

Action: M/S/Failed (Tregub/O’Keefe) to appoint Rena Fischer, Zachary Fraser, Douglas Legg, Susi Marzuola, and Stephanie Allan (Alternate) to the SAFE STREETS Citizen Oversight Committee.

Vote: Ayes – Tregub, O’Keefe; Noes – None; Abstain – Kesarwani, Taplin, Blackaby, Lunaparra, Humbert, Ishii; Absent – Bartlett.

Action: 2 speakers. M/S/Carried (Ishii/Lunaparra) to adopt Resolution No. 71,785–N.S. to appoint Rena Fischer, Ben Gerhardstein, Sybil Hatch, Douglas Legg, and Zachary Fraser (Alternate) to the SAFE STREETS Citizen Oversight Committee.

Vote: Ayes – Kesarwani, Taplin, Tregub, O’Keefe, Blackaby, Lunaparra, Humbert, Ishii; Noes – None; Abstain – None; Absent – Bartlett.

Public Comment – Items Not Listed on the Agenda - 0 speakers.

Adjournment

Action: M/S/C (Taplin/Lunaparra) to adjourn the meeting.

Vote: Ayes – Kesarwani, Taplin, Tregub, O’Keefe, Blackaby, Lunaparra, Humbert, Ishii;
Noes – None; Abstain – None; Absent – Bartlett.

Adjourned at 11:35 p.m.

I hereby certify that the foregoing is a true and correct record of the regular meeting held on May 20, 2025.

Mark Numainville, City Clerk

Communications

Item #21: 2024 Police Equipment and Community Safety Ordinance Annual Report

1. Hansel Aguilar on behalf of the Police Accountability Board
2. Jennifer Louis
3. Margaret A. Baker
4. John Lindsay-Poland

Item #29: Alternative Housing Options for People Experiencing Homelessness *(Reviewed by the Health, Life Enrichment, Equity & Community Committee)*

5. Kate Pocrass
6. Aimee Baldwin (2)
7. Cris Benton
8. Grant Damron
9. Pamela Michaud
10. Stacey Hara
11. Jack Anderson
12. Namita Gupta
13. Fran Haselsteiner
14. Patricia Brooks
15. Catherine Jenkins
16. Amber Richardson
17. Tamar J.
18. Kelley Kahn

Ashby BART

19. Peter Minor
20. Charlotte Daniels
21. 2076 Ashby Residences
22. Sotirios Vlavianos
23. Peter Magganas

Encampments

24. Halima Franklin (2)

Ohlone Park

25. Cynthia Harbaugh
26. Adam Leive
27. Daniel Jurnove
28. Roberta Focht
29. Lynn Jehle
30. Sasha Futran
31. Carlton and Alma
32. Tracy Thompson
33. Fred Schlachter
34. Patricia Itamoto
35. Julia Boekelheide
36. Dominique Ayako Baillet
37. Tamara Birdsall
38. Laura Garcia-Moreno
39. David Lerman (3)
40. Will Masterson
41. Karthik Gopalan
42. Erika Shore (2)
43. Diane Ross-Leech and Family
44. Isaac Nicholson
45. Elisabeth Goldstein
46. Nancy S. Rothschild
47. Stefany Reich-Silber
48. Diana Jensen
49. Wei-Bing Chen

Rides for Seniors

50. Kathi Pugh
51. Gerald Lenoir
52. Bonnie Lewkowicz
53. Darlene Bronson on behalf of the Commission on Aging

Missing Middle

54. Zelda Bronstein (3)
55. Councilmember Rashi Kesarwani

2nd Street Encampments

- 56. David White
- 57. Councilmember Rashi Kesarwani
- 58. Councilmember Mark Humbert
- 59. Councilmember Igor Tregub
- 60. Councilmember Terry Taplin

E-Scooters

- 61. Robert Borghese (4)

Public Restroom Proposal

- 62. James Chang
- 63. Mike Kim

Bateman Mall Park

- 64. Yula Paluy

Bikeway Intersection Control

- 65. Meryl Siegal

Food Fest Invitation

- 66. Dr. Ramesh Konda on behalf of the Association of Indo Americans

Infill Housing

- 67. Constance Rivemale

Security Incidents

- 68. Dixon Brooke

UA Theater

- 69. Melanie Lawrence & John Smail
- 70. Pamela Zelnik
- 71. Anne Herrick

Housing Concerns

- 72. Patricia Kipnis
- 73. Lynn Winsten
- 74. Jonnyruel Holder

Treatment of Herbivorous Animals

- 75. Rsw (2)

Elevator Outrage

- 76. Tony Schmiesing
- 77. Aryne Bailey

Workshop

78. Joel A. Biatch

Crime Concerns

79. Fran Haselsteiner

ABSC Concern

80. Abby Thorne-Lyman

Drop-off Mailboxes

81. Hali Hammer

Deliberative Democracy

82. Phil Allen

Free Speech

83. Sheila Jordan

Specialized Care Unit

84. Barbara Gilbert

Work Concerns

85. Pgcountymd63 (2)

Hopkins/McGee

86. Shirley Kirsten

87. Sandra Sanchez

Edward Way

88. Helen Hogg

Home Alterations

89. Marian and Desmond Simpson

BUSD Investment Policies

90. Cielo Rios

Budget Concerns

91. Rachel Bradley

92. Ben Buettner

Arbor Day

93. Mary-Louise Hansen

Effects of Cement

94. Cecelia Mautner

Street Access

95. Nenelle Bunnin

Homeless Housing

96. Aimee Baldwin

97. John Vinopal

More Types of Homes

98. Lee Bishop

Habitability for Berkeley Residents

99. Veena Nambiar

Public Facilities Concern

100. 2,084 Similarly worded form letters

Middle East Conflict

101. Chris Gilbert

102. Alicia Dattner

103. Barbara Erickson

104. Nicoletta Karam (4)

105. Barbara Romanowicz

106. Rachel Gita Schiff

107. Sophie Sawyer

108. Iris Gold

109. Gael Alcock

110. Russbumper

111. Camille watts-Zagha

112. Marc Sapir (2)

113. Allen Mayer

114. Dr. Roman Kazinnik and Dr. Sophia Kazinnik

115. Deborah Goldeen

116. Russbumper

Letter

117. Eid's TV and Electronics

Screenshots

118. Josh Atwood (2)

Forwards

119. Josh Atwood

120. Daveed Mandell (3)

121. David Lerman

122. Eid's TV

URL's

- 123. Inetjalopy
- 124. Josh Atwood (4)
- 125. Russbumper (7)
- 126. Madeleine Shearer
- 127. Lavell Young
- 128. Barryett Enge

Supplemental Communications and Reports 1

Item #21: 2024 Police Equipment and Community Safety Ordinance Annual Report

- 129. Hansel Alejandro Aguilar on behalf of the Police Accountability Board (2)

Item #22: Contract: Shaw Integrated and Turf Solutions Inc., for Civic Center Building, Second Floor Carpet Replacement Project

- 130. David Freeling

Item #26: Letter in Support of California State Senate Bill 692 (Arreguín) Relating to Vehicles and Homelessness

- 131. Meryl & Aimee on behalf of Beautiful San Pablo
- 132. Phil Allen

Supplemental Communications and Reports 2

Item #2: Amendment: FY 2025 Annual Appropriations Ordinance

- 133. Revised material submitted by City Manager's Office

Item #7: Contract No: 32300104 Amendment: The Village of Love for Telegraph Neighborhood Sacred Rest Drop-In Center

- 134. Alex Knox

Item #21: 2024 Police Equipment and Community Safety Ordinance Annual Report

- 135. Gregory Kalkanis
- 136. Elana Auerbach

Item #29: Alternative Housing Options for People Experiencing Homelessness (Reviewed by the Health, Life Enrichment, Equity & Community Committee)

- 137. John Craner on behalf of Berkeley Alliance of Business Organizations, Berkeley Chamber, Downtown Berkeley Association, Gilman District Coordinating Committee, North Shattuck Association, Rebuilding Together East Bay Network, Telegraph Business Improvement District, University Avenue Association, Upper Solano Organizing Committee, and West Berkeley Design Loop
- 138. Diana Bohn
- 139. Aimee Baldwin and Meryl Siegal, on behalf of Beautiful San Pablo

Item #30: FY 2026 Proposed Mid-Biennial Budget Update and Public Hearing #1

- 140. Supplemental material submitted by City Manager's Office
- 141. Jasmine Sozi

Item #32: Appointment of Four Berkeley Residents to the SAFE STREETS Citizen Oversight Committee

- 142. Supplemental material submitted by City Clerk Department
- 143. Kristi Holmes
- 144. Henry Siegel and Kyra Subbotin
- 145. Andrea Traber
- 146. Michael Boland

Supplemental Communications and Reports 3

Item #1: Adding an additional qualifying skillset for appointment to Measure FF Safe Streets Citizen Oversight Committee (SSCOC); Amending Berkeley Municipal Code Section 7.11.040

- 147. Helen Walsh

Item #29: Alternative Housing Options for People Experiencing Homelessness

- 148. Helen Walsh
- 149. Larry Strain
- 150. Maryann OSullivan

Item #30: FY 2026 Proposed Mid-Biennial Budget Update and Public Hearing #1

- 151. Presentation, submitted by the Budget Office
- 152. Erik Ferry
- 153. Regina Mouton
- 154. Jocelyn Zorn
- 155. Fran Haselsteiner
- 156. Geoff Lomax (2)
- 157. Henry Oyekanmi

Item #31: LPC Appeal: 2500-2512 San Pablo Avenue, Landmark Application #LMIN2024-0004

- 158. Presentation, submitted by the Planning & Development Department

Urgent Item: Excused Absence for Councilmember Ben Bartlett

- 159. Submitted by Mayor Ishii

BERKELEY CITY COUNCIL SPECIAL MEETING MINUTES

WEDNESDAY, MAY 21, 2025

4:00 P.M.

2180 MILVIA STREET, BERKELEY, CA 94704

TELECONFERENCE LOCATION - 1619 EDITH STREET, BERKELEY, CA 94703

ADENA ISHII, MAYOR

Councilmembers:

DISTRICT 1 – RASHI KESARWANI

DISTRICT 2 – TERRY TAPLIN

DISTRICT 3 – BEN BARTLETT

DISTRICT 4 – IGOR TREGUB

DISTRICT 5 – SHOSHANA O'KEEFE

DISTRICT 6 – BRENT BLACKABY

DISTRICT 7 – CECILIA LUNAPARRA

DISTRICT 8 – MARK HUMBERT

This meeting will be conducted in a hybrid model with both in-person attendance and virtual participation.

*To access the meeting remotely use this URL: <https://cityofberkeley-info.zoomgov.com/j/1609500004>. To request to speak, use the “raise hand” function in Zoom. To join by phone: Dial **1-669-254-5252** or **1-833-568-8864 (Toll Free)** and enter Meeting ID: **160 950 0004**. To provide public comment, Press *9 and wait to be recognized by the Chair. To submit a written communication for the public record, email council@berkeleyca.gov.*

This meeting will be conducted in accordance with the Brown Act, Government Code Section 54953. Any member of the public may attend this meeting, however, if you are feeling sick, please do not attend the meeting in person. The City Council may take action related to any subject listed on the Agenda.

Pursuant to the City Council Rules of Procedure and State Law, the presiding officer may remove, or cause the removal of, an individual for disrupting the meeting. Prior to removing an individual, the presiding officer shall warn the individual that their behavior is disrupting the meeting and that their failure to cease their behavior may result in their removal. The presiding officer may then remove the individual if they do not promptly cease their disruptive behavior. “Disrupting” means engaging in behavior during a meeting of a legislative body that actually disrupts, disturbs, impedes, or renders infeasible the orderly conduct of the meeting and includes, but is not limited to, a failure to comply with reasonable and lawful regulations adopted by a legislative body, or engaging in behavior that constitutes use of force or a true threat of force.

Government Code Section 84308 (Levine Act) - *Parties to a proceeding involving a license, permit, or other entitlement for use are required to disclose if they made contributions over \$500 within the prior 12 months to any City employee or officer. Parties and participants with a financial interest are prohibited from making more than \$500 in contributions to a decisionmaker for the 12 months after the final decision is rendered on the proceeding. The above contribution disclosures and restrictions do not apply when the proceeding is competitively bid, or involves a personnel or labor contract. For more information, see Government Code Section 84308.*

Preliminary Matters

Roll Call: 4:06 p.m.

Present: Taplin, Tregub, O’Keefe, Blackaby, Lunaparra, Humbert, Ishii

Absent: Kesarwani, Bartlett

Councilmember Kesarwani present at 4:11 p.m.

Public Comment - Limited to items on this agenda only – 1 speaker

CLOSED SESSION:

The City Council will convene in closed session to meet concerning the following:

1. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION PURSUANT TO GOVERNMENT CODE SECTIONS 54956.9(a) and (d)(1):

a. *Berkeley Homeless Union, et al. v. City of Berkeley, et al., 4:25-cv-01414-HSG*

Action: No reportable action taken.

OPEN SESSION:

No reportable action taken.

Adjournment

Action: M/S/C (Tregub/Lunaparra) to adjourn the meeting.

Vote: Ayes – Kesarwani, Taplin, Tregub, Blackaby, Lunaparra, Humbert, Ishii; Noes – None; Abstain - None; Absent – Bartlett, O’Keefe.

Adjourned at 5:31 p.m.

I hereby certify that the foregoing is a true and correct record of the closed session meeting held on May 21, 2025.

Mark Numainville, City Clerk

**BERKELEY CITY COUNCIL
SPECIAL MEETING MINUTES**

TUESDAY, MAY 27, 2025

4:00 P.M.

2180 MILVIA STREET, BERKELEY, CA 94704 – REDWOOD ROOM

TELECONFERENCE LOCATION – 1619 EDITH STREET, BERKELEY, CA 94703

ADENA ISHII, MAYOR

Councilmembers:

DISTRICT 1 – RASHI KESARWANI
DISTRICT 2 – TERRY TAPLIN
DISTRICT 3 – BEN BARTLETT
DISTRICT 4 – IGOR TREGUB

DISTRICT 5 – SHOSHANA O’KEEFE
DISTRICT 6 – BRENT BLACKABY
DISTRICT 7 – CECILIA LUNAPARRA
DISTRICT 8 – MARK HUMBERT

This meeting will be conducted in a hybrid model with both in-person attendance and virtual participation.

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Preliminary Matters

Roll Call: 4:03 p.m.

Present: Kesarwani, Tregub, Blackaby, Lunaparra, Humbert, Ishii

Absent: Taplin, Bartlett, O’Keefe

Councilmember O’Keefe present at 4:05 p.m.

Councilmember Taplin present at 4:42 p.m.

Public Comment - Limited to items on this agenda only – 0 speakers

CLOSED SESSION:

The City Council will convene in closed session to meet concerning the following:

1. **CONFERENCE WITH LEGAL COUNSEL – PENDING LITIGATION PURSUANT TO GOVERNMENT CODE SECTION 54956.9(d)(1):**
 - a. *Service Employees International Union, Local 1021 v. City of Berkeley*, PERB Case No. SF-CE-1965-M

Action: Item removed from the agenda. No action taken.

2. **CONFERENCE WITH LABOR NEGOTIATORS; GOVERNMENT CODE SECTION 54957.6**

Negotiators: Paul Buddenhagen, City Manager, David White, Deputy City Manager, Sharon Friedrichsen, Budget Manager, Monica Walker, Interim Human Resources Director, Chaka Young, Employee Relations Manager

Employee Organizations: Berkeley Fire Fighters Association Local 1227 I.A.F.F., Berkeley Chief Fire Officers Association Local 1227 I.A.F.F., Berkeley Fire EMS Professionals Association, Berkeley Police Association; SEIU 1021 Community Services and Part-Time Recreation Activity Leaders, SEIU 1021 Maintenance and Clerical, IBEW Local 1245, Public Employee Union Local 1, Unrepresented Employees.

Action: No reportable action taken.

3. **PUBLIC EMPLOYEE PERFORMANCE EVALUATION PURSUANT TO GOVERNMENT CODE SECTION 54957(b):**

- a. **Title of position to be evaluated:** City Manager
- b. **Title of position to be evaluated:** City Attorney
- c. **Title of position to be evaluated:** Director of Police Accountability

Action: M/S/C (O’Keefe/Taplin) to create an ad hoc committee comprised of Mayor Ishii, Councilmember Humbert, and Councilmember Lunaparra to oversee the evaluation process of the non-elected Charter Officers: City Manager, City Attorney, Director of Police Accountability.

Vote: Ayes – Tregub, O’Keefe, Blackaby, Lunaparra, Humbert, Ishii; Noes - None; Abstain - None; Absent – Kesarwani, Bartlett.

4. CONFERENCE WITH LEGAL COUNSEL – PENDING LITIGATION PURSUANT TO GOVERNMENT CODE SECTIONS 54956.9(a) and (d)(1):

a. *RealPage, Inc. v. City of Berkeley, et al.*, No. 3:25-CV-03004-JSC (N.D. Cal.)

Action: No reportable action taken.

OPEN SESSION:

The City Council met in closed session on May 27, 2025 and voted to create an ad hoc committee comprised of Mayor Ishii, Councilmember Humbert, and Councilmember Lunaparra to oversee the evaluation process of the non-elected Charter Officers: City Manager, City Attorney, Director of Police Accountability.

Adjournment

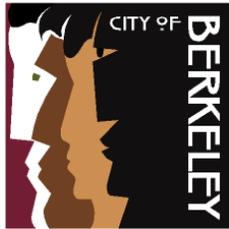
Action: M/S/C (Blackaby/Tregub) to adjourn the meeting.

Vote: Ayes – Tregub, O’Keefe, Blackaby, Lunaparra, Humbert, Ishii; Noes - None; Abstain - None; Absent – Kesarwani, Bartlett.

Adjourned at 5:27 p.m.

I hereby certify that the foregoing is a true and correct record of the closed session meeting held on May 27, 2025.

Mark Numainville, City Clerk



Office of the City Manager

03

CONSENT CALENDAR

June 24, 2025

To: Honorable Mayor and Members of the City Council
From: Paul Buddenhagen, City Manager
Submitted by: Peter Radu, Assistant to the City Manager
Subject: Recommendations for County Measure W Funding

RECOMMENDATION

Send a letter to the Alameda County Board of Supervisors outlining the City Council's priorities for initial rounds of funding from Measure W, a half-cent sales tax increase passed by Alameda County voters in November 2020.

FISCAL IMPACTS OF RECOMMENDATION

There are no costs associated with adopting this recommendation. However, the letter outlines a specified array of Berkeley homelessness and supportive housing programs that will require millions of dollars in County general fund (Measure W funding).

CURRENT SITUATION AND ITS EFFECTS

This report responds in part to the City Council's referral from May 20, 2025, directing the City Manager as follows:

1. Direct the City Manager to identify any additional funding opportunities available through 2024 Measure W and affirm the City Council's position that local jurisdictions such as Berkeley that are heavily impacted by the housing and mental health crisis should be considered for an equitable share and speedy receipt of 2024 Proposition 1 funding from Alameda County.
2. Further, direct the City Manager to affirm that the City Council's position is that, to the extent possible, Measure W and any other locally sourced funds should be used to support Berkeley-specific homelessness services needs.

Staff are currently compiling recommendations for programs and opportunities to include in a letter to be submitted to the Alameda County Board of Supervisors. Because City staff only recently became aware that the Alameda County Board of Supervisors will be discussing Measure W resource allocations at its meeting scheduled for July 8, 2025, a proposed letter for the Board of Supervisors is still being developed. The letter will be made available to the City Council as a supplemental item leading up to the June 24, 2025 City Council meeting. Once adopted by the City Council, the letter

will be promptly submitted to the County and serve as a framework to advocate for Measure W resources that are needed to address homelessness in our community.

BACKGROUND

In November 2020, Alameda County voters approved Measure W, a half-cent general fund sales tax increase. The Measure was tied up in litigation for several years but in April, 2025 this litigation was resolved. In anticipation of this resolution, on December 12, 2024, the Alameda County Board of Supervisors approved a plan to spend an initial \$390 million in Measure W funds on a variety of efforts to support homelessness.

On May 20, 2025, the City Council approved a referral to the City Manager as follows:

1. Direct the City Manager to identify any additional funding opportunities available through 2024 Measure W and affirm the City Council's position that local jurisdictions such as Berkeley that are heavily impacted by the housing and mental health crisis should be considered for an equitable share and speedy receipt of 2024 Proposition 1 funding from Alameda County.
2. Further, direct the City Manager to affirm that the City Council's position is that, to the extent possible, Measure W and any other locally sourced funds should be used to support Berkeley-specific homelessness services needs.

ENVIRONMENTAL SUSTAINABILITY AND CLIMATE IMPACTS

There are no environmental impacts associated with this report or recommendation.

RATIONALE FOR RECOMMENDATION

The items recommended for funding in this report are largely based on recommendations from the formal gaps and needs analysis performed by city staff and presented to the City Council on July 9, 2024.¹ This report provided recommendations to guide future funding opportunities, specifically that the City should prioritize:

- Accelerating the transition to non-congregate shelter
- Funding permanent supportive housing
- Investing in targeted homelessness prevention

ALTERNATIVE ACTIONS CONSIDERED

None.

¹ See: <https://berkeleyca.gov/sites/default/files/documents/2024-07-09%20Item%2016%20Referral%20Response%20%20Gap%20Analysis%20of%20Berkeley%E2%80%99s%20Homelessness.pdf> and <https://berkeleyca.gov/sites/default/files/documents/Revised%20Agenda%20Material%20-%20Item%2016.pdf>

Recommendations for County Measure W funding

CONSENT CALENDAR
June 24, 2025

CONTACT PERSON

Peter Radu, Assistant to the City Manager, 510 981-7045

Attachments:

1: Letter to Alameda County Board of Supervisors



Agenda Item Attachment

This attachment will be provided to the City Council and the public prior to the meeting (including posting to the city website) in accordance with the requirements for revised and supplemental materials in the Open Government Ordinance.

City Clerk Department
2180 Milvia Street
Berkeley, CA 94704
(510) 981-6900

The City of Berkeley, City Council's Web site:
<http://berkeleyca.gov>



Office of the City Manager

CONSENT CALENDAR
June 24, 2025

To: Honorable Mayor and Members of the City Council

From: Paul Buddenhagen, City Manager

Submitted by: Eleanor Hollander, Economic Development Manager

Subject: Contract: Cultural Planning Group, LLC for a Plan for a Resilient Arts & Culture Sector in Berkeley

RECOMMENDATION

Adopt a Resolution authorizing the City Manager to execute a contract and any necessary amendments with Cultural Planning Group, LLC for an amount not to exceed \$149,980 for the development of a comprehensive plan to support and maintain a *Resilient Arts & Culture Sector in Berkeley*. The term of the contract will be 18 months.

FISCAL IMPACTS OF RECOMMENDATION

The \$149,980 contract will be funded by the General Fund (011) with resources designated for this purpose in the First Amendment to the FY 2025 Annual Appropriations Ordinance approved by Ordinance No. 7,940-N.S. (November 19, 2024). Funds for this contract are budgeted in code 011-21-208-252-0000-000-446-612990.

CURRENT SITUATION AND ITS EFFECTS

Cultural Planning Group, LLC was selected through a competitive Request for Proposals (RFP) process to “develop a multi-year comprehensive plan to support and maintain a resilient arts and culture sector in Berkeley” (Specification Number 25-11701-C). The selected consultant has demonstrated a record of success in providing informed financial strategic planning services, engaging diverse groups of stakeholders, and creating accessible reports for organizations and municipalities. The contract scope of work includes the following four deliverables:

1. Devise Project plan, complete stakeholder engagement, and craft a summary of past City of Berkeley arts-related policies and investments, documenting existing conditions.
2. Analyze City policies and existing arts funding; place this work in the context of national benchmarking and a survey of best practices; and develop a financial report and analysis of the current conditions in Berkeley’s nonprofit arts and cultural sector.
3. Model financial and policy options to bolster the future financial health of Berkeley’s arts and cultural sector, including proposed funding pathway for the

development of a community arts center at the Veterans Building, and analysis of ballot measure options in support of the arts and culture in Berkeley.

4. Deliver final report and presentation: including a comprehensive five-year strategic financial plan for enhancing resiliency in Berkeley's art & culture sector(s).

BACKGROUND

The City of Berkeley is home to over 150 active arts and culture nonprofits offering a diverse array of theater, music, festivals, dance, visual arts, arts education and more. The City of Berkeley has long recognized the importance of arts and culture to the economic health, vitality, and diversity of Berkeley's local economy and its commercial districts. Local arts and cultural organizations generate revenue, create jobs, and generally improve the quality of life in Berkeley, which in turn generates businesses revenue and tourism to Berkeley.

However, the COVID-19 pandemic and its aftermath has had a significant impact on the arts ecosystem in Berkeley, and many of Berkeley's existing arts organizations are in fiscal crisis, reflecting a national trend. Berkeley's arts and culture sector continues to experience lower audience levels, and increased costs with many nonprofits operating at a loss and facing a difficult road to recovery. Additional challenges to the sector include factors such as: inflation impacting costs for labor, materials, and talent.

Current Status of Berkeley's Arts Sector Funding & 2024 Budget Referral

Since October 2019, six local arts organizations have come to the City Council outside of the robust Civic Arts Grant program (total annual program investment, \$700,000) to ask for an additional \$850,000 (total) in one-time relief funds from the city's General Fund. The one-time funding initiatives have been an effective way to rescue and stabilize a few organizations temporarily, but they do not address the financial challenges of the sector in an equitable, nor sustainable manner.

Performing Arts companies are rarely able to support the costs of production solely with box office receipts. They must attract both audiences and contributions to stay afloat. As theatres face post-pandemic declines in audience attendance, increased labor and material costs, and a shift in major funders' priorities away from the arts, many companies have shuttered. New strategies combined with new partnerships and collaborations are necessary, but it's not yet clear that there is only one path forward with a set of community cultural organizations as diverse as ours here in Berkeley.

To this end, on November 12, 2004, Vice Mayor Wengraf introduced a *Referral to the November 2024 AAO1 Budget Process for \$150,000 to Create a Five-Year Sustainable and Comprehensive Recovery Plan for the Arts and Culture Sector in Berkeley*. The legislation calls for the city to engage a consultant to develop a multi-year comprehensive road map to support, maintain and sustain a resilient Arts and Culture

sector in Berkeley. The results of this plan will also be critical to guiding and informing discussion and consideration of a ballot measure in support of the Arts in 2026.

Goal of Project

The forthcoming plan will re-examine the City’s role in keeping our arts organizations healthy in a sustainable and predictable manner, including strategies to support the operation and maintenance of our arts and culture sector. By focusing and investing in creating a comprehensive five-year plan that will address both short-term and longer-term challenges to the sector, the City can support our local arts and cultural organizations in an organized and cost-effective manner.

Through this contract, the City of Berkeley will engage a consultant to develop a multi-year comprehensive plan to support and maintain a resilient arts and culture sector in Berkeley. The development of the plan will involve deep engagement with Berkeley’s arts stakeholders, policy makers and leaders, and focus on both innovative and proven strategies, as well as transparent and sustainable techniques for recovery for Berkeley’s arts and culture organizations. The plan will explore and devise a range of financial strategies, partnerships, and collaborations to address both short-term and longer-term challenges, as well as identify threats and opportunities to the sector. The results of this plan will be critical to guiding and informing the City of Berkeley’s future artistic and cultural investments and will result in a program design for sustainable artistic and cultural support over the years to come.

ENVIRONMENTAL SUSTAINABILITY AND CLIMATE IMPACTS

There are no identifiable environmental effects, climate impacts, or sustainability opportunities associated with the subject of this report.

RATIONALE FOR RECOMMENDATION

Cultural Planning Group, LLC possesses demonstrated expertise centered on a range of strategic planning efforts within the arts and culture sector including development of numerous creative economy plans, arts funding research, financial and policy analysis, and presenting data in an engaging and accessible manner. The City received and evaluated eight proposals in response to RFP Specification No. 25-11701-C which was posted on January 27, 2025. After proposal review, team interviews of the top five scoring proposals, and reference checks for the top two scoring proposals post-interview, Cultural Planning Group, LLC proposal received the highest score.

ALTERNATIVE ACTIONS CONSIDERED

None.

CONTACT PERSON

Jennifer Lovvorn, Office of Economic Development, (510) 981-7533

Attachment:

1: Resolution

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

CONTRACT: CULTURAL PLANNING GROUP, LLC FOR A COMPREHENSIVE *PLAN FOR A RESILIENT ARTS AND CULTURE SECTOR IN BERKELEY*

WHEREAS, the City of Berkeley has long recognized the importance of the arts and culture to the economic health, vitality, and diversity of Berkeley's local economy and its commercial districts; and

WHEREAS, Berkeley's arts and culture sector continues to experience lower audience levels, and increased costs in the aftermath of the pandemic, with some nonprofits operating at a loss; and

WHEREAS, on November 12, 2024, a *Referral to the November 2024 AAO1 Budget Process for \$150,000 to Create a Five-Year Sustainable and Comprehensive Recovery Plan for the Arts and Culture Sector in Berkeley* calls for the city to engage a consultant to develop a multi-year comprehensive road map to support, maintain and sustain a resilient Arts and Culture sector in Berkeley; and

WHEREAS, the funds for this contract are budgeted in code 011-21-208-252-0000-000-446-612990 and were designated in the First Amendment to the FY 2025 Annual Appropriations Ordinance approved by Ordinance No. 7,940-N.S. (November 19, 2024); and

WHEREAS, the results of this comprehensive plan will be critical to guiding and informing Berkeley's investments and program design for artistic and cultural support over the years to come; and

WHEREAS, the City released an RFP under Specification No. 25-11701-C for which eight proposals were received, evaluated and scored, resulting in the selection of Cultural Planning Group, LLC to develop a multi-year plan for a resilient arts and culture sector in Berkeley.

NOW THEREFORE, BE IT RESOLVED by the Council of the City of Berkeley that the City Manager is authorized to execute a contract and any amendments thereto with Cultural Planning Group, LLC for the development of a comprehensive plan to *support and maintain a resilient arts and culture sector in Berkeley*, in an amount not to exceed \$149,980, for a term of 18 months. A record signature copy of said contract and any amendments are to be on file in the Office of the City Clerk.

Internal



Office of the City Manager

CONSENT CALENDAR

June 24, 2025

To: Honorable Mayor and Members of the City Council

From: Paul Buddenhagen, City Manager

Submitted by: Henry Oyekanmi, Director, Finance Department

Subject: FY 2026 Reaffirming the Investment Policy and Designation of Investment Authority

RECOMMENDATION

Adopt a Resolution reaffirming the Investment Policy (no revisions are recommended) and to confirm the delegation of investment authority to the Director of Finance to make investments for FY 2026.

FISCAL IMPACTS OF RECOMMENDATION

There are no fiscal impacts from accepting the current Investment Policy and renewing the delegation of authority to the Director of Finance to make investments.

CURRENT SITUATION AND ITS EFFECTS**A. FY 2026 Reaffirming the City's Investment Policy**

The City's Statement of Investment Policies requires the City Council to annually reaffirm the Statement of Investment Policy.

B. Delegating Authority to Make Investments

The Investment Policy requires the City Council to annually confirm the delegation of investment authority to the Director of Finance.

BACKGROUND

The State statutes that govern investment activity requires the City Council to annually affirm the Investment Policy and to annually confirm the delegation of investment authority.

INVESTMENT OVERSIGHT

All investments included in the portfolio comply with the City's adopted investment policies and State law.

ENVIRONMENTAL SUSTAINABILITY AND CLIMATE IMPACTS

The Investment Policy provides opportunities to make environmentally responsible investments that support the City's environmental sustainability goals.

RATIONALE FOR RECOMMENDATION

The State requires City Council to annually affirm the Investment Policy, and to annually confirm the delegation of investment authority to the Director of Finance.

ALTERNATIVE ACTIONS CONSIDERED

None.

CONTACT PERSON

Henry Oyekanmi, Director of Finance, Finance Department, 981-7301

Attachments:

1. Resolution
2. Investment Policies for Idle Pooled Cash (Effective July 1, 2025)
3. Investment Policies for Retiree Medical Plan Trust Funds (Effective July 1, 2025)

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

AFFIRMING THE INVESTMENT POLICY AND RENEWING THE DELEGATION OF AUTHORITY TO MAKE INVESTMENTS TO THE DIRECTOR OF FINANCE

WHEREAS, by Resolution No. 71,397-N.S. dated June 25, 2024, the City Council adopted the Investment Policy for the City of Berkeley; and

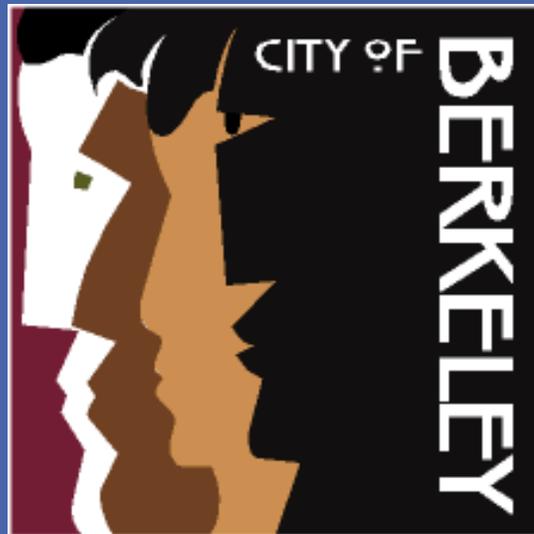
WHEREAS, the Statement of Investment Policies requires the Director of Finance to submit and make recommendations for amendments to the investment policy; and

WHEREAS, the Director of Finance has no recommended amendments to the investment policy to the City Council.

NOW THEREFORE, BE IT RESOLVED that the Council of the City of Berkeley affirms the Statement of Investment Policies, and confirms the delegation of investment authority to make investments to the Director of Finance for FY 2026.

Public

City of Berkeley Investment Policy



Effective July 1, 2025

City of Berkeley Investment Policy

July 1, 2025

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I. Introduction

Pursuant to Sections 2.44.040 and 2.44.060 of the Berkeley Municipal Code, Resolution No. 45,087-N.S., and Sections 53601, 53607, 53636 and 53648 of the State Government Code, the Director of Finance, the Treasurer of the City, is authorized to make investments of the City's idle funds. The Code also directs the City to present an annual investment policy to the City Council for approval. This Investment Policy, after approval of the amendments by the City Council, will serve as the Investment Policy for the City of Berkeley for fiscal year 2026.

A. Scope of Policies

These investment policies apply to the investments of the City of Berkeley and the Rent Stabilization Board. All financial assets of any non-trust funds, including the general fund and other funds that may be created from time to time, shall be administered in accordance with the provisions of these policies.

B. Investment Objectives

The City's primary investment objective is to achieve a reasonable rate of return on public funds while minimizing the potential for capital losses arising from market changes or issuer default. Although the generation of revenues through interest earnings on investments is an appropriate City goal, the primary consideration in the investment of City funds is capital preservation in the overall portfolio. As such, the City's yield objective is to achieve a reasonable rate of return on City investments rather than the maximum generation of income, which could expose the City to unacceptable levels of risk.

The following investment objectives, in order of priority, shall be applied in the management of City funds: safety, liquidity and yield.

1. Safety of principal is the foremost objective of the investment program

Investments shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. The objective is to mitigate credit risk and interest rate risk, summarized as follows:

- a. Credit risk. This is the risk of loss due to the failure of the security issuer or backer. Credit risk may be mitigated by:
 - Limiting investments to the safest types of securities.
 - Determining the credit worthiness of the financial institutions, broker/dealers, and intermediaries with which the City does business.
 - Diversifying the investment portfolio so that potential losses on individual securities will be minimized.
- b. Interest rate risk. This is the risk that the market value of securities in the portfolio will fall due to changes in general interest rates. Interest rate risk may be mitigated by:

- Structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities prior to maturity; and
- Investing operating funds primarily in shorter-term securities.

2. Liquidity

No investment shall be made that could not appropriately be held to maturity without compromising liquidity requirements. The investment portfolio shall remain sufficiently liquid to meet all operating requirements that may be reasonably anticipated. This is accomplished by structuring the portfolio so that securities mature concurrent with cash needs to meet anticipated demands (static liquidity). Furthermore, since all possible cash demands cannot be anticipated, the portfolio should consist largely of securities with active secondary markets (dynamic liquidity).

3. Yield

The investment portfolio shall be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, taking into account the City's investment risk constraints and liquidity needs. Return on investment is of least importance compared to the safety and liquidity objectives described above. The core of investments are limited to relatively low risk securities in anticipation of earning a reasonable return relative to the risk being assumed. Securities shall not be sold prior to maturity with the following exceptions:

- i. Liquidity needs of the portfolio require that the security be sold.
- ii. A security swap would improve the quality, yield, or target duration in the portfolio.

4. Responsible Investing

Investment policies of the City of Berkeley shall comply with the letter of the following ordinances, resolutions and directives:

- Nuclear-Free Berkeley Act
- Resolution No. 59,853-N.S.-Oppressive States Contract prohibition
- Divestment from Gun Manufacturers and Tobacco Companies
- Divestment from Publicly Traded Fossil Fuel Companies and Banks that Finance Pipelines and Fossil Fuel Infrastructure
- Divestment from Prisons Resolution No. 67,640-N.S. and Immigration Detention Companies
- Divest from Any Companies Designing, Building or Financing the U.S. – Mexico Border Wall Resolution No. 67,865-N.S.
- No Investment in Any Entity Involve in the Production and Manufacturing of Weapons-Resolution No. 68,766-N.S.
- Integrate Environmental, Social, and Governance Principles (ESG) for All Investment Decision Making Process (See Appendix B for details.)

a. **Nuclear-Free Berkeley Act**

To the extent possible, without compromising the City's safety, liquidity and yield objectives, it is the City's policy to prefer investments in U.S. Agency securities. They are preferred because of their generally higher yields and generally socially preferable uses, such as housing loans or student loans, versus investments in Treasury securities with their association with nuclear weapons.

All financial institutions, which hold deposits or investments of the City, shall file a statement with the Director of Finance indicating the percentage of the bank's assets which are loaned to or invested in nuclear weapons agents as defined in Section 12.90 of the Nuclear-Free Berkeley Act. The Director of Finance shall use this information as a factor in selecting banks which have minimum involvement in the nuclear weapons industry. A summary of these reports shall be attached to the annual Statement of Investment Policies.

- Investments in United States Treasury securities may be made by the City of Berkeley.
- The City of Berkeley shall ensure that any City funds, or any funds controlled by the City, invested or other third parties, are invested according to the provisions of this section and, to this end, shall obtain written assurances to this effect from any such trustees or third parties.

b. **Divestment From Publicly-Traded Fossil Fuel Companies and Companies that Provide Direct Financing or On-going Lines of Credit for the Funding of Fossil Fuel Infrastructure**

The City of Berkeley has a responsibility to protect the lives and livelihoods of its inhabitants from the threat of climate change. While fossil fuel companies provide an attractive return on investment, the City of Berkeley will suffer greater economic and financial losses from the impact of unchecked climate change. The City's infrastructure, businesses and communities would face greater risk of damages and losses due to that climate change. The City believes that its investments should support a future where all citizens can live healthy lives without the negative impacts of a warming environment. For the purposes of the Investment Policy, a "fossil fuel company" shall be defined as any of the two hundred publicly-traded companies with the largest coal, oil and gas reserves as measured by the gigatons of carbon dioxide that would be emitted if those reserves were extracted and burned, as listed in the Carbon Tracker Initiative's "Unburnable Carbon" report.

Staff responsible for managing the City's investment portfolio are directed to divest all City funds held in fossil fuel companies or companies that provide direct financing or on-going lines of credit for the funding of fossil fuel infrastructure such as the Dakota Access Pipeline and are prohibited from making any new investments in such companies.

c. Divestment from Gun Manufacturers and Tobacco Companies

The City of Berkeley has a responsibility to protect the lives and livelihoods of its inhabitants from the threat of dangerous weapons and products. There is no better role for city government than to protect people. If the City invests in companies that are putting dangerous weapons and dangerous products on our streets, then the City is part of the problem.

Staff responsible for managing the City's investment portfolio are directed to divest all City funds held in gun manufacturers and tobacco companies and are prohibited from making any new investments in such companies.

d. Divestment from Prisons and Immigration Detention Companies

The prison and immigration detention industry reaps large monetary benefits from the imprisonment of these communities. Prison companies admit that their companies benefit from high incarceration rates. With the increasing economic benefits that come with commodifying human lives, the City of Berkeley should divest from prison and immigration detention companies to make a statement that the industry harms human lives and degrades them as monetary investment.

Staff responsible for managing the City's investment portfolio are directed to divest all City funds held in Prisons and Immigration Detention Companies and are prohibited from making any new investments in such companies.

e. Divestment from any Companies Designing, Building or Financing the U.S.-Mexico Border Wall - Resolution No. 67,865-N.S.

The City of Berkeley is strongly opposed to the construction of a border wall between the United States and Mexico as called for in Presidential Executive Order 13767. Immigration has been part of this country's history since its inception. Construction of a border wall with tightened security will harm refugees who are fleeing violence and conflict in Central American countries including Honduras and El Salvador. A border wall would increase international tensions and cause environmental damage by increasing emissions, cutting off natural water flows, and disturbing wildlife migration routes. The wall would cut through ancestral native lands and would significantly disrupt tribal communities. In addition, construction of a wall would be huge financial burden to taxpayers. Therefore, to ensure that local tax dollars in no way support the construction of the proposed border wall, the City of Berkeley will divest from all companies involved with designing, building, and financing the border wall.

Staff responsible for managing the City's investment portfolio are directed to divest all city funds from companies that design, build or finance the U.S.-Mexico border wall as called for in Presidential Executive Order 13767, and are prohibited from making any new investments in such companies.

f. No Investment in Any Entity Involved in the Production and Manufacturing of Weapons-Resolution No. 68,766-N.S.

The City of Berkeley joins the cities nationwide that oppose militarism and violence, and encourages other cities to follow Berkeley's lead. U.S. weapons manufacturers continue to supply repressive regimes around the world and U.S. produced weapons are being used in attacks that the international community deems unlawful for their disproportionate and excessive harm to civilians.

Staff responsible for managing the City's investment portfolio are directed to divest all City funds from companies that are involved in the production or manufacturing of weapons and weapons system, whether conventional or nuclear and including the manufacture of civilian arms.

These guidelines apply to all cash-equivalent assets included within the scope of the City's audited financial statements and held either directly by the City or held and invested by fiscal agents.

g. Integrate Environmental, Social, and Governance Principles (ESG) for All Investment Decision Making Process (See Appendix B for details.)

This combines environmental, social, and governance issues with traditional financial factors in the investment decision-making process. ESG investing helps cities like Berkeley to benefit from both impact driven and financially prudent investments. ESG principles would put Berkeley's values into our investment dollars.

C. Use of State Investment Guidelines

Government Code Sections 16481.2, 53601, 53607, 53635, and 53646 of the State of California regulate the investment practices. It is the policy of the City of Berkeley to use the State's provisions for local government investments as the base for developing and implementing the City's investment policies and practices.

As required under Government Code Sections 16481.2 and 53646, the Statement of Investment Policies will be reviewed by the Council annually.

II. Investment Authority and Responsibilities

A. Authorized Investment Officers

1. Idle Funds

Pursuant to Sections 2.44.040, 2.44.060 of the Berkeley Municipal Code, Resolution No. 45,087-N.S., and Sections 53601, 53636 and 53648 of the State Government Code, the Director of Finance, the Treasurer of the City, is authorized to make investments of the City's idle funds. Responsibility for the operation of the investment program is hereby delegated to the Director of Finance, who shall carry out established written procedures and internal controls for the operation of the investment program consistent with this plan. Procedures should include references to: safekeeping, delivery versus payment basis of settling transactions, investment accounting, repurchase agreements, wire transfer agreements, collateral/depository agreements and banking services contracts. In the exercise of this responsibility, the authority to perform specific investment tasks and duties is delegated as follows:

- Treasury Manager/Revenue Collection Manager. In the absence, and under the direction, of the Finance Director, to invest idle funds on a daily basis as required for cash flow purposes pursuant to the requirements of the Statement of Investment Policies.
- Senior Accountant or Accounting Manager. To execute necessary investment documents, and obtain the approval of the Director of Finance to authorize wire transfers and execute bank authorizations.
- Deputy City Manager. To execute necessary investment documents, authorize wire transfers; execute bank authorization in absence of the Director of Finance, Treasury Manager/ Revenue Collection Manager, Senior Accountant, and the Accounting Manager.

B. Internal Controls

The Director of Finance shall establish a system of internal controls designed to prevent losses of public funds arising from fraud, employee error, misrepresentation of third parties, unanticipated changes in financial markets, or imprudent actions by employees and officers of the City of Berkeley. The concept of reasonable assurance recognizes that (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management. These controls shall include:

- Separation of transaction authority from accounting and physical custody.

- By separating the person who authorizes or performs the transaction from the people who record or otherwise account for the transaction, a separation of duties is achieved.
- Also, securities purchased from any bank or dealer including appropriate collateral (as defined by State Law), shall be placed with an independent third party for custodial safekeeping.
- Avoidance of physical delivery of securities by using a delivery versus payment “Basis of Settlement Only.”
- All trades will be executed on a delivery versus payment (DVP) basis. This ensures that securities are delivered to the City’s safekeeping bank at the same time the funds are released by the City’s safekeeping bank.
- Third-Party custodial safekeeping of securities held in the name of the City. Delivered securities must be properly safeguarded against loss or destruction. Book entry securities are recorded in electronic records and the potential for fraud and loss increases with physically delivered securities. All investment securities, except collateralized certificates of deposit and money market funds, purchased by the City will be delivered by either book entry or physical delivery and will be held in third-party safekeeping by a City-approved custodian bank, its correspondent New York Bank or the Depository Trust Corporation (DTC). Whenever possible, securities purchased are to be recorded in “book entry” form.
- All securities and applicable collateral will be held by the City’s third party custodian and evidenced by safekeeping receipts. All book entry securities owned by the City shall be evidenced by a safekeeping receipt issued to the City by the custodian bank to acknowledge that the securities are held in the Federal Reserve system in a “customer account” for the custodian bank which names the City as “customer”;

The Director of Finance will require each approved safekeeping financial institution to submit a copy of its Consolidated Report of Condition and Income (Call Report) to the City within 60 days after the end of each calendar quarter.

- Competitive bidding on investment transactions. Before the City invests in any secondary market funds, competitive bids shall be requested. If a specific maturity date is required, either for cash flow purposes or for conformance to maturity guidelines, bids will be requested from at least three financial institutions for instruments which meet the maturity requirement. If no specific maturity is required, a yield curve analysis will be conducted to determine which maturities would be most advantageous.
- Written confirmation and documentation of all financial transactions.

- Due to the potential for error and improprieties arising from telephone transactions, all telephone transactions should be supported by written communications and approved by the appropriate person. Written communications may be via fax if on letterhead and the safekeeping institution has a list of authorized signatures.
- Rapid deposit of funds received by the City (i.e., large checks.)
- Bonding of all investment officials.

C. Evaluation of Investment Officer Actions

Section 53600.3 of the Government Code identifies trustees as those persons authorized to make investment decisions on behalf of a local agency. As a trustee, the standard of prudence to be used by investment officials shall be the "prudent investor" standard and shall be applied in the context of managing an overall portfolio. Investment officers acting in accordance with written procedures, and exercising due diligence shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided deviations from expectations are reported in a timely fashion and the liquidity and the sale of securities are carried out in accordance with the terms of this plan.

Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived.

Officers and employees involved in the investment process shall refrain from personal business activity that could conflict with the proper execution and management of the investment program, or that could impair their ability to make impartial decisions. Employees and investment officials shall disclose any material interests in financial institutions with which they conduct business. They shall further disclose any personal financial/investment positions that could be related to the performance of the investment portfolio. Employees and officers shall refrain from undertaking personal investment transactions with the same individual with whom business is conducted on behalf of their entity.

III. Capital Preservation and Risk

A. Overview

Some level of risk is inherent in any investment transaction. Losses may be incurred due to issuer default, market price changes, or technical cash flow complications such as investments in non-marketable certificates of deposit. Diversification of the City's portfolio by institution, investment vehicle, and maturity term is the primary tool available to the City in minimizing investment risk and capital losses by safeguarding the overall portfolio from any individual loss.

B. Portfolio Diversification Practices

The following sections summarize the City's major portfolio diversification practices and guidelines in determining:

- Authorized Dealers
- Investment Vehicles
- Investment Maturity

Portfolio limitations included in these guidelines are to be based on the portfolio composition and investment management plan policies in effect at the time of placement; the actual composition of the City's investments may vary over time from plan limitations due to overall portfolio changes from when the individual placement was made as well as changes in the City's investment management plan

IV. Eligible Financial Institutions

A. Authorized Dealers

- Investments shall be purchased only through well-established, financially sound institutions. The Finance Director shall maintain a list of financial institutions and broker/dealers approved for investment. All financial institutions and broker/dealers who desire to become qualified bidders for investment transactions will be given a copy of the City's Statement of Investment Policies, and a return cover letter which must be signed indicating that the Statement of Investment Policies has been read and understood.

Qualified financial institutions and broker/dealers must supply the Director of Finance with the following:

- Financial Institutions
 - Current audited financial statements
 - Depository contracts, as appropriate
 - A copy of the latest FDIC call report or the latest FHLBB report, as appropriate.
- Broker/Dealers
 - Current audited financial statements
 - Proof that brokerage firm is a member in good standing with a national securities exchange.
- Except for repurchase agreements, investments shall be awarded based on competitive bids. Documentation relating to investment quotes shall be maintained by the Finance Department for a period of one year.

B. Individual Placement of Deposits

Individual placement of negotiable, collateralized, and other time certificates of deposit with eligible financial institutions shall be based on the following practices and procedures:

- Deposits shall only be placed with financial institutions maintaining offices within the City of Berkeley.
- Unless collateralized by eligible securities as provided in Sections 53651 and 53652 of the Government Code, the maximum amount of Certificates of Deposit to be placed with any single institution is \$250,000.

V. Investment Vehicles

A. State of California Limitations

As provided in Sections 53601, 53635, and 16429.1 of the Government Code, the State of California limits the investment vehicles available to local agencies to the following:

1. U.S. Treasury Instruments

As authorized in Government Code Section 53601(b), this category includes bills, notes, bonds or certificates of indebtedness, or those for which the faith and credit of the United States are pledged for the payment of principal and interest. There are no portfolio limitations on the amount.

2. Government Sponsored Enterprises

As authorized in Government Code Section 53601(f), this category includes a wide variety of government securities. These securities include U. S. government-sponsored enterprise obligations, such as issues by the Federal National Mortgage Association (FNMA's), Federal Home Loan Bank (FHLB), Federal Farm Credit (FFCB), Student Loan Marketing Association (SLMA), etc. There are no portfolio limitations on the amount.

3. Municipal Securities

As authorized in Government Code Section 53601(a)(c)(d)(e), this category includes obligations of the City, the State of California, any of the other 49 states, and any local agency within the State of California, provided that:

- The securities are rated "A" or higher by at least one nationally recognized statistical rating organization.
- No more than 5% of the portfolio may be invested in any issuer.
- The maximum maturity does not exceed five years.

4. Banker's Acceptances

As provided in Government Code Section 53601(f)g, 40% of the City's portfolio may be invested in Banker's Acceptances, otherwise known as bills of exchange or time drafts that are drawn on and accepted by a commercial bank, although no more than 30% of the portfolio may be invested in Bankers' Acceptances with any one commercial bank. Additionally, the maturity period cannot exceed 180 days.

5. Commercial Paper

Commercial paper is a short-term, unsecured promissory note issued by financial and non- financial companies to raise short-term cash. As provided in Government Code Section 53601(h) up to 25% of the City's portfolio may be invested in "prime" commercial paper of the highest ranking or of the highest letter and number rating as provided by a nationally recognized statistical-rating organization (i.e., Moody's or Standard and Poor's or Fitch), with maturities not to exceed 270 days. The issuer must have total assets in excess of \$500 million, and have debt other than Commercial Paper rated "A" or higher by a nationally recognized statistical-rating organization.

6. Negotiable Certificates of Deposit

Negotiable certificates of deposit are a fixed deposit certificate that may be negotiated (traded) to a third party. The institution issuing the certificate promises to pay the holder the initial investment plus the interest rate stated on the certificate at maturity. As authorized in Government Code Section 53601(i), the City may invest 30% of its portfolio in negotiable certificates of deposit issued by commercial banks, thrifts and foreign banks.

7. Repurchase Agreements

Repurchase agreements are agreements between the local agency and seller for the local agency to purchase government securities to be resold back to the seller at a specific date and for a specific amount and are authorized by Government Code Section 53601(j). Although the legal maximum maturity on these investments is 360 days, repurchase agreements are generally short-term investments varying from one day to two weeks. Investments in repurchase agreements must be collateralized, and collateral required for repurchase agreements is limited to Treasury and Agency securities. In order to anticipate market changes and provide a level of security for all funds, the required collateralization level is 102% of market value of principal and accrued interest.

8. Reverse Repurchase Agreements

Reverse repurchase agreements are a sale of securities by the local agency with a simultaneous agreement for the local agency to repurchase the securities on or before a specified date. As provided in Government Code section 53635(j), reverse repurchase agreements require the prior approval of the City Council. Reverse repurchase agreements can only be made with primary dealers of the Federal

Reserve Bank of New York or with a nationally or state-chartered bank that has or has had a significant banking relationship with the local agency. There are no portfolio limitations on the amount for these investments.

9. Medium-Term Corporate Notes

As authorized in Government Code Section 53601(k), local agencies may invest in corporate bonds and notes of industrial companies, banks, bank holding companies, insurance companies, thrifts and finance companies that are rated "A" or better by a nationally recognized rating service; and issued by corporations organized and operating in the United States. The maximum remaining maturity is limited to five years, and the amount invested must not exceed 30% of the agency's portfolio.

10. Shares of Beneficial Interest Issued By Diversified Management Companies

As authorized in Government Code Section 53601(l), local agencies are also authorized to invest in shares of beneficial interest issued by diversified management companies (i.e., mutual funds) as defined in Section 23701(m) of the Revenue and Taxation Code in an amount not to exceed 20% of the agency's portfolio.

11. Financial Futures and Financial Option Contracts

As authorized in Government Code Section 53601.1, local agencies may invest in financial futures or option contracts in any of the above investment categories subject to the same overall portfolio limitations.

12. Time Certificates of Deposit

As authorized in Government Code Section 53635, time certificates of deposit are fixed term, non-negotiable investments which are required to be collateralized 110% by eligible pooled securities. The pool is administered by the State, and is composed of a wide variety of government securities, secured by first mortgages on improved residential property located in the State. There are no portfolio limits on the amount; however the maturity period for this investment vehicle may not exceed five years unless approved by the Council.

13. Local Agency Investment Fund

As authorized in Government Code Section 16429.1, local agencies may invest in the Local Agency Investment Fund (LAIF), a pooled investment fund managed by the State Treasurer's Office. It operates like a money market fund, but is for the exclusive benefit of governmental entities within the State. The current maximum amount of money that may be invested is \$40 million.

14. Moneys Held By A Trustee Or Fiscal Agent

As authorized in Government Code Section 53601(m), debt proceeds held by a trustee or fiscal agent, which are pledged to the payment or security of bonds or other indebtedness may be invested in accordance with the statutory provisions governing the issuance of those bonds or other agreement; or to the extent not

inconsistent with statutory provisions, or if there are no specific statutory provisions, investments may be made in accordance with the ordinance, resolution, indenture, or agreement of the local agency for the issuance.

This category includes investment agreements approved in writing by insurance companies, supported by appropriate opinions of counsel with notice to Standard and Poor's.

15. Other Secured Notes, Bonds Or Other Obligations

As authorized in Government Code Section 53601(n), notes, bonds, or other obligations that are at all times secured by a valid first priority security interest in securities of the types listed by Section 53651 as eligible securities.

16. Mortgage Pass Through, Collateralized Mortgage Obligation, Mortgage-backed Bond, Equipment Lease-backed Certificate, Consumer Receivable Pass through Certificate, and Consumer Receivable-backed Bond

As authorized in Government Code Section 53601(o), securities in this category must be rated "AA" or its equivalent or better by a nationally recognized rating service. Purchases may not exceed 20% of the agency's portfolio.

17. Public Bank Obligations

As authorized in Government Code Section 53601(r), 53635(c), and 57603 local agencies may invest on commercial paper, debt securities or other obligations of a public bank. The maximum remaining maturity is limited to five years.

B. City Policies

1. Allowable Investment Vehicles and Restrictions

The Director of Finance/City Treasurer is authorized to invest in any of the investment vehicles allowed by Sections 53601, 53635 and 16429.1 of the Government Code above, with the following limitations:

Financial futures; option contracts, floaters, inverse floaters, range notes, interest-only strips that are derived from a pool of mortgages, or any security that could result in zero interest income if held to maturity may not be purchased. Exclusion of these vehicles is consistent with the City's overall objective of achieving reasonable yields on public funds while minimizing risk and capital losses. Although the potential exists for greater interest yields with these vehicles, it is believed that the potential level of risk exceeds their benefits except in very limited circumstances.

- Reverse repurchase agreements shall be entered into only to effect a "matched" transaction whereby the proceeds of the reverse are reinvested for the same

period as the term of the reverse repurchase agreement.

- Funds will only be invested in negotiable Certificates of Deposit that are fully insured by the Federal Deposit Insurance Corporation (FDIC) or the Federal Savings and Loan Insurance Corporation (FSLIC) in amounts up to \$250,000 (including interest).
- The authority to invest in certain securities is restricted by the provisions of the section entitled “Responsible Investing”.
- No more than 45% of the portfolio may be invested in callable agency or government- sponsored enterprise securities.
- Commercial paper is limited to a maturity of 180 days, and the issuer must have the highest rating from two nationally recognized rating agencies, not one (as required by the State).
- The greater of \$5 million or 2% of the short-term portfolio can be in the commercial paper of any single corporation or group under essentially common ownership or control.
- Purchases of such corporate notes as mortgage pass through, collateralized mortgage obligation, mortgage-backed bond, equipment lease-backed certificate, consumer receivable pass through certificate and consumer receivable-backed bond must be rated “Aa” or AA or its equivalent or better by a nationally recognized rating service. As authorized in Government Code Section 53601(j), staff may invest in corporate bonds and notes of industrial companies, banks, bank holding companies, insurance companies, thrifts and finance companies that are rated “A” or better by a nationally recognized rating service; and issued by corporations organized and operating in the United States. The amount invested must not exceed 30% of the agency's portfolio.
- No investment shall be made which involve a “hidden” reduction in the investment rate or yield in order to subsidize other investment programs. For example, the City invests \$10,000,000 for a year at a rate of 1% less than “market” rates.
- Up to 100% of the portfolio may be placed in money market accounts.

See Appendix A for the Investment Portfolio/Diversification Requirements, which lists the maximum amounts that may be invested in the various investment types and the maximum authorized maturities.

2. Term

Reserve funds from the proceeds of debt issues may be invested by the Director of Finance/City Treasurer in government agency securities with terms exceeding five (5) years, if the maturity of such investments are made to coincide as nearly as practicable with the life of the debt issue. A maximum of 30 percent of the par value of the portfolio may be invested in a stated maturity of up to 10 years.

3. New Investments

No new types of investments will be purchased for the first time without at least two weeks notification to the City Council. For example, although Mortgage Pass through securities are authorized investments, none will be purchased for the first time without such prior City Council notification.

VI. Investment Maturity

In addition to the risks associated with the credit-worthiness of the financial institution and the security of the investment vehicle, the maturity period of investments is also a significant consideration in the management of the City's portfolio. In order to minimize the impact of market risk, it is intended that all investments will be held until maturity. Investments may be sold prior to maturity for cash flow or appreciation purposes; however, no investment shall be made based solely on yields resulting from anticipated capital gains.

Also, except for debt proceeds, a maximum of 30 percent of the par value of the portfolio may exceed five years.

VII. Cash Management

To achieve a reasonable return on public funds, the following cash management practices will be followed:

- Maintain maximum investment of all City funds not required to meet immediate cash flow needs while maintaining adequate compensating balances as required under the City's banking services agreement.
- Pool resources available for investment from all City-administered funds, with interest earnings allocated to each of the funds in accordance with generally accepted accounting principles.
- Maximize the City's cash flow through the immediate deposit of all cash receipts, use of direct deposits and wire transfers when available, and appropriate timing of payments to vendors.

- Maximize the cash flow information available through the use of only one operating bank account.

VIII. Evaluation of Investment Performance

As indicated in the Introduction section of this document, it is the City's primary investment objective to achieve a reasonable rate of return on public funds while minimizing risks and preserving capital. In evaluating the performance of the City's portfolio in achieving this objective, it is expected that yields on City investments will regularly meet or exceed the average return on the State Local Agency Investment Fund (LAIF).

IX. Investment Reporting

Consistent with Sections 16481.2 and 53646 of the Government Code, the Department of Finance shall submit an annual Statement of Investment Policies to the Council for consideration at a public meeting.

In addition to the submittal of an annual Statement of Investment Policies, the Department of Finance shall provide the Council with a quarterly and annual investment report providing the following information for each investment or security:

- Issuer or broker/dealer (financial institution)
- Type of investment
- Certificate or other reference number if applicable
- Percentage yield on an annualized basis
- Purchase date
- Maturity date for each investment and the weighted average maturity of all the investments within the portfolio
- Current book value
- Current market value
- Total cost and market value, including source of this valuation, of the City's portfolio
- A description of the compliance with the Statement of Investment Policies
- An evaluation of investment operations for the preceding year. This shall include an evaluation of how well the objectives have been achieved: the accuracy of forecasting expenditures and revenues, as well as a comparison of the average returns on the investment portfolio with that of the Local Agency Investment Fund (LAIF).
- Report of investments. The Director of Finance shall prepare a report that provides a clear status of the current investment portfolio and transactions. The report will be prepared in a manner which allows the City Manager and Council to ascertain whether investment activities during the reporting period have conformed to the investment policies.

- Summary of key or unusual events, including but not limited to:
 - Any exceptions to policies;
 - Adherence to or deviations from social investment goals;
 - Purchases of Treasury securities, other than in repurchase agreements with maturities of seven days or less;
 - Purchases of securities that exceed maturity limits;
 - Sales of securities more than three months before maturity;
 - Changes in investment procedures, dealers, staff, etc.

- Investment performance:
 - A glossary, defining all funds or accounts referred to elsewhere in the report; and a listing of banks, securities dealers and custodians that the City has had investment transactions during the period.
 - A summary of the certifications for deposits of City funds.
 - Other information regarding the City's portfolio as appropriate

The Quarterly Investment Report shall include all investments as of the end of the quarter from all funds held in the City's portfolio, and shall be issued within 60 days after the end of the quarterly reporting period to the City Manager, and the City Council; the annual report shall be issued within 90 days after the end of the fiscal year to the City Manager, and the City Council.

X. Appendices

A. Investment Portfolio – Diversification Requirements

Investment Portfolio Diversification Requirements

Investment Instrument	Maximum Amount of Portfolio	Maximum Length to Maturity
Bank / Time Deposit Accounts	100%	5 Years
Money Market Deposit Accounts	100%	N/A
Repurchase Agreements	10%	1 Year
Reverse Repurchase Agreements	10%	7 Days
Bankers Acceptances	40%	7 Days
U.S. Government Securities (Treasury Bills, Notes, and Bonds)	100%	10 Years
U.S. Government Agency Securities by Agency	100%	10 Years
Certificates of Deposit (Negotiable)	30%	10 Years
Municipal Bonds	100%	5 Years
Commercial Paper	25%	180 Days
Medium Term Notes	30%	10 Years
Public Bank Obligations	10% of Unrestricted Investments	5 Years

B. Berkeley's ESG Investing Initiative



CITY OF BERKELEY

BERKELEY'S ESG INVESTING INITIATIVE

On November 27, 2018, City of Berkeley City Council approved the recommendation to incorporate the Environmental, Social, and Governance (ESG) principles in the City of Berkeley's investment policy. This is a new effort to integrate ESG considerations into Berkeley's investment decision-making process would lead the way for responsible investment in the United States and across the globe. ESG factors makes good business sense and leads to more sustainable markets and better outcomes for societies.

WHAT IS ESG INVESTING?

ESG investing describes the consideration of environmental, social, and governance (ESG) factors alongside traditional financial factors in the investment decision-making process, ensuring that investments are financially prudent and impact driven. ESG factors may include greenhouse gas emissions, energy usage, labor standards, business ethics, gender and racial diversity, executive compensation, and more.

WHY IS ESG INVESTING IMPORTANT?

First, ESG investing drives better risk-adjusted returns, since companies that score higher on ESG factors tend to have stronger fundamentals that mitigate financial risk, putting those companies in a better position for long-run stability and profitability.

And second, ESG investing helps guide investment dollars to make a positive impact on some of the most fundamental challenges facing Berkeleyans. Through promoting investments in companies that prioritize conservation and sustainable business practices, it helps protect our environment for future generations. Through promoting investments in companies that promote a better quality of life for all of us, it helps create a more equitable, just corporate eco-system and world. And through promoting investments in companies with strong corporate governance, it helps promote sound and representative management practices.

WHAT IS THE CITY OF BERKELEY'S APPROACH?

We plan to take clear, defined steps toward fully integrating ESG factors into the investment decisions within our operating portfolio, potentially including the following actions and commitments:

- **100% Integration:** Ensure that 100% of investment decisions on corporate securities are analyzed through ESG factors, making Berkeley one of the few cities in the country to take this step with its operating portfolio. Specific factors will include (but will not be limited to):
 - *Environmental:* Carbon Footprint; Energy Consumption; Water/Waste; External Conservation Initiatives; and Sector-Specific Adjustments.
 - *Social:* Labor Rights; Employee Diversity; Corporate Social Responsibility; and Human Rights/Ethics.
 - *Governance:* Leadership Structure; Executive Compensation; Human Capital Management; Transparency/Disclosure; and Shareholder Rights.
- **Comprehensive Approach:** Seek to maintain a minimum ESG portfolio rating of investment grade or higher.
- **Proactive, Responsible Investing:** Pursue opportunities for sustainable investments, including purchasing securities from market leaders in disclosure and corporate board diversity, securities that fund community development projects, and other securities with strongly positive effects on our communities.
- **Commitment to Carbon-Neutrality:** Achieve a carbon-neutral portfolio from an investment perspective, which may include seeking to offset existing investments in the top 200 publicly-owned coal, oil, and gas reserve owners (ranked by the carbon emissions embedded in their reserves) with socially responsible investments.

CITY OF BERKELEY

INVESTMENT POLICY FOR RETIREE MEDICAL PLAN TRUST FUNDS



Effective July 1, 2025

Public

City of Berkeley
INVESTMENT POLICIES FOR RETIREE MEDICAL PLAN
TRUST FUNDS
July 1, 2025

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Public

I. INTRODUCTION

Pursuant to Sections 2.44.040 and 2.44.060 of the Berkeley Municipal Code, Resolution No. 45,087-N.S., and Sections 53601, 53607, 53636 and 53648 of the State Government Code, the Director of Finance, the Treasurer of the City, is authorized to make investments of the City's idle funds. The Code also directs the City to present an annual investment policy to the City Council for approval. This Investment Policy, after approval of the amendments by the City Council, will serve as the Investment Policy for the City of Berkeley for the subsequent fiscal year.

Notwithstanding Section 53601 or 53635, the governing body of a local agency may invest funds designated for the payment of employee retiree health benefits in any form or type of investment deemed prudent by the governing pursuant to Section 53622. The authority of the governing body to invest or to reinvest funds intended for the payment of employee retiree health benefits, or to sell or exchange securities purchased for that purpose, may be delegated by the governing body to designated officers. The City Council has designated the Director of Finance, the Treasurer of the City, or his/her designee, the authority to make investments of the City's retiree medical plan trust funds.

Funds intended for the payment of employee retirement health benefits shall only be held for the purpose of providing benefits to participants in the retiree health benefit plan and defraying reasonable expenses of administering that plan.

The governing board or designated officer, when making investments of the funds, shall discharge its duties with respect to the investment of the funds.

- (1) Solely in the interest of, and for the exclusive purposes of providing benefits to, participants in the retiree health benefit plan, minimizing employer contributions thereto, and defraying reasonable expenses of administering the plan.
- (2) With care, skill, prudence, and diligence under the circumstances then prevailing that a prudent person acting in a like capacity and familiar with these matters would use in the conduct of an enterprise of a like character and with like aims.
- (3) Shall diversify the investments of the funds so as to minimize the risk of loss and to maximize the rate of return, unless under the circumstances it is clearly prudent not to do so.

A. SCOPE OF POLICIES

These investment policies apply to the investments of the Retiree Medical Plan Trust Funds.

B. INVESTMENT OBJECTIVES

The Treasurer adheres to the principle which maintains that over the long-term, prudent investment risk-taking may be rewarded with higher incremental returns. Consequently, while capital preservation (i.e., Safety) is regarded to be of paramount importance, the Treasurer regards prudent risk-taking as justifiable.

C. USE OF STATE INVESTMENT GUIDELINES

Public

As required under Government Code Sections 16481.2 and 53646, the Statement of Investment Policies will be reviewed by the Council annually.

II. INVESTMENT AUTHORITY AND RESPONSIBILITIES

A. AUTHORIZED INVESTMENT OFFICERS

1. *Retiree Medical Trust Funds:*

A Trust is to be established by the City for the purpose of holding and investing assets separate and apart from the other funds of the City to fund the benefits of the Program. The specific terms governing the Trust are to be set forth in a separate trust instrument.

- The trustee of the Trust (the “Trustee”) may be the City Treasurer (i.e., Director of Finance) or an independent third party qualified to act as a trustee under California law and designated by the City.
- The Trustee shall be a fiduciary of the Program and shall act solely in the interest of the Participants, minimizing employer contributions to the Trust, and defraying reasonable expenses of administering the Program.
- The City Manager may, with the written concurrence of the City Council, appoint an “investment manager” (as that term is defined in section 3(38) of the Employee Retirement Income Security Act) to have responsibility for investment of the Trust assets. In this case, the Trustee shall act as directed by the investment manager. The investment manager shall act as a fiduciary of the Program and shall act with the same duties and responsibilities set out in “Investment Objectives” section above.

B. INTERNAL CONTROLS

The Director of Finance shall establish a system of internal controls designed to prevent losses of trust funds arising from fraud, employee error, misrepresentation of third parties, unanticipated changes in financial markets, or imprudent actions by employees and officers of the City of Berkeley. The concept of reasonable assurance recognizes that (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management. These controls shall include:

- Separation of transaction authority from accounting and physical custody.
- By separating the person who authorizes or performs the transaction from the people who record or otherwise account for the transaction, a separation of duties is achieved.
- Also, securities purchased from any bank or dealer including appropriate collateral (as defined by State Law), shall be placed with an independent third party for custodial safekeeping.
- Avoidance of physical delivery of securities by using a delivery versus payment “Basis of Settlement Only”.
- All trades will be executed on a delivery versus payment (DVP) basis. This ensures that securities are delivered to the City’s safekeeping bank at the same time the funds

Public

are released by the City's safekeeping bank.

- Third-Party custodial safekeeping of securities held in the name of the City. Delivered securities must be properly safeguarded against loss or destruction. Book entry securities are recorded in electronic records and the potential for fraud and loss increases with physically delivered securities. All investment securities, except collateralized certificates of deposit and money market funds, purchased by the City will be delivered by either book entry or physical delivery and will be held in third-party safekeeping by a City-approved custodian bank, its correspondent New York Bank or the Depository Trust Corporation (DTC). Whenever possible, securities purchased are to be recorded in "book entry" form.
- All securities and applicable collateral will be held by the City's third party custodian and evidenced by safekeeping receipts. All book entry securities owned by the City shall be evidenced by a safekeeping receipt issued to the City by the custodian bank to acknowledge that the securities are held in the Federal Reserve system in a "customer account" for the custodian bank which names the City as "customer";

The Director of Finance will require each approved safekeeping financial institution to submit a copy of its Consolidated Report of Condition and Income (Call Report) to the City within 60 days after the end of each calendar quarter.

- Competitive bidding on investment transactions. Before the City invests in any secondary market funds, competitive bids shall be requested. If a specific maturity date is required, either for cash flow purposes or for conformance to maturity guidelines, bids will be requested from at least three financial institutions for instruments which meet the maturity requirement. If no specific maturity is required, a yield curve analysis will be conducted to determine which maturities would be most advantageous.
- Written confirmation and documentation of all financial transactions.
- Due to the potential for error and improprieties arising from telephone transactions, all telephone transactions should be supported by written communications and approved by the appropriate person. Written communications may be via fax if on letterhead and the safekeeping institution has a list of authorized signatures.
- Rapid deposit of funds received by the City (i.e., large checks.)
- Bonding of all investments officials.

C. EVALUATION OF INVESTMENT OFFICER ACTIONS

Section 53600.3 of the Government Code identifies trustees as those persons authorized to make investment decisions on behalf of a local agency. As a trustee, the standard of prudence to be used by investment officials shall be the "prudent investor" standard and shall be applied in the context of managing an overall portfolio. Investment officers acting in accordance with written procedures, and exercising due diligence shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided deviations from expectations are reported in a timely fashion and the liquidity and the sale of securities are carried out in accordance with the terms of this plan.

Public

Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived.

Officers and employees involved in the investment process shall refrain from personal business activity that could conflict with the proper execution and management of the investment program, or that could impair their ability to make impartial decisions. Employees and investment officials shall disclose any material interests in financial institutions with which they conduct business. They shall further disclose any personal financial/investment positions that could be related to the performance of the investment portfolio. Employees and officers shall refrain from undertaking personal investment transactions with the same individual with whom business is conducted on behalf of their entity.

III. CAPITAL PRESERVATION AND RISK

A. OVERVIEW

The Treasurer adheres to the principle which maintains that over the long-term, prudent investment risk-taking may be rewarded with higher incremental returns. Consequently, while capital preservation (i.e., Safety) is regarded to be of paramount importance, the Treasurer regards prudent risk-taking as justifiable.

Some level of risk is inherent in any investment transaction. Losses may be incurred due to issuer default, market price changes, or technical cash flow complications such as investments in non-marketable certificates of deposit. Diversification of the City's portfolio by institution, investment vehicle, and maturity term is the primary tool available to the City in minimizing investment risk and capital losses by safeguarding the overall portfolio from any individual loss.

B. PORTFOLIO DIVERSIFICATION PRACTICES

The following sections summarize the City's major portfolio diversification practices and guidelines in determining:

- Authorized Dealers
- Investment Vehicles
- Investment Maturity

Portfolio limitations included in these guidelines are to be based on the portfolio composition and investment management plan policies in effect at the time of placement; the actual composition of the City's investments may vary over time from plan limitations due to overall portfolio changes from when the individual placement was made as well as changes in the City's investment management plan.

IV. ELIGIBLE FINANCIAL INSTITUTIONS

A. AUTHORIZED DEALERS

Public

- Investments shall be purchased only through well-established, financially sound institutions. The Finance Director shall maintain a list of financial institutions and broker/dealers approved for investment. All financial institutions and broker/dealers who desire to become qualified bidders for investment transactions will be given a copy of the City's Statement of Investment Policies, and a return cover letter which must be signed indicating that the Statement of Investment Policies has been read and understood.

Qualified financial institutions and broker/dealers must supply the Director of Finance with the following:

Financial Institutions

Current audited financial statements

Depository contracts, as appropriate

A copy of the latest FDIC call report or the latest FHLBB report, as appropriate.

Broker/Dealers

Current audited financial statements

Proof that brokerage firm is a member in good standing with a national securities exchange.

- Except for repurchase agreements, investments shall be awarded based on competitive bids. Documentation relating to investment quotes shall be maintained by the Finance Department for a period of one year.

B. INDIVIDUAL PLACEMENT OF DEPOSITS

Individual placement of negotiable, collateralized, and other time certificates of deposit with eligible financial institutions shall be based on the following practices and procedures:

- Deposits shall only be placed with financial institutions maintaining offices within the City of Berkeley.
- Unless collateralized by eligible securities as provided in Sections 53651 and 53652 of the Government Code, the maximum amount of Certificates of Deposit to be placed with any single institution is \$250,000.

V. INVESTMENT VEHICLES

The governing body of a local agency may invest funds designated for the payment of employee retiree health benefits in any form or type of investment deemed prudent by the governing pursuant to Section 53622. Some of the investment vehicles the City Council has authorized are the following:

Public

1. U.S. Treasury Instruments

As authorized in Government Code Section 53601(b), this category includes bills, notes, bonds or certificates of indebtedness, or those for which the faith and credit of the United States are pledged for the payment of principal and interest. There are no portfolio limitations on the amount.

2. Government Sponsored Enterprises

As authorized in Government Code Section 53601(f), this category includes a wide variety of government securities. These securities include U. S. government-sponsored enterprise obligations, such as issues by the Federal National Mortgage Association (FNMA's), Federal Home Loan Bank (FHLB), Federal Farm Credit (FFCB), Student Loan Marketing Association (SLMA), etc. There are no portfolio limitations on the amount.

3. Municipal Securities

As authorized in Government Code Section 53601(a)(c)(d)(e), this category includes obligations of the City, the State of California, any of the other 49 states, and any local agency within the State of California, provided that:

- The securities are rated “A” or higher by at least one nationally recognized statistical rating organization.
-
- There are no limitations on the amount or period.

4. Banker's Acceptances

As provided in Government Code Section 53601(f)g, 40% of the City's portfolio may be invested in Banker's Acceptances, otherwise known as bills of exchange or time drafts that are drawn on and accepted by a commercial bank, although no more than 30% of the portfolio may be invested in Bankers' Acceptances with any one commercial bank. Additionally, the maturity period cannot exceed 180 days.

5. Commercial Paper

Commercial paper is a short-term, unsecured promissory note issued by financial and non-financial companies to raise short-term cash. As provided in Government Code Section 53601(h) up to 25% of the City's portfolio may be invested in "prime" commercial paper of the highest ranking or of the highest letter and number rating as provided by a nationally recognized statistical-rating organization (i.e., Moody's or Standard and Poor's or Fitch), with maturities not to exceed 270 days. The issuer must have total assets in excess of \$500 million, and have debt other than Commercial Paper rated “A” or higher by a nationally recognized statistical-rating organization.

6. Negotiable Certificates of Deposit

Negotiable certificates of deposit are a fixed deposit certificate that may be negotiated (traded) to a third party. The institution issuing the certificate promises to pay the holder the initial investment plus the interest rate stated on the certificate at maturity. As authorized in Government Code Section 53601(i), the City may invest 30% of its portfolio in negotiable certificates of deposit issued by commercial banks, thrifts and foreign banks.

Public

7. Repurchase Agreements

Repurchase agreements are agreements between the local agency and seller for the local agency to purchase government securities to be resold back to the seller at a specific date and for a specific amount and are authorized by Government Code Section 53601(j). Although the legal maximum maturity on these investments is 360 days, repurchase agreements are generally short-term investments varying from one day to two weeks. Investments in repurchase agreements must be collateralized, and collateral required for repurchase agreements is limited to Treasury and Agency securities. In order to anticipate market changes and provide a level of security for all funds, the required collateralization level is 102% of market value of principal and accrued interest.

8. Reverse Repurchase Agreements

Reverse repurchase agreements are a sale of securities by the local agency with a simultaneous agreement for the local agency to repurchase the securities on or before a specified date. As provided in Government Code section 53635(j), reverse repurchase agreements require the prior approval of the City Council. Reverse repurchase agreements can only be made with primary dealers of the Federal Reserve Bank of New York or with a nationally or state-chartered bank that has or has had a significant banking relationship with the local agency. There are no portfolio limitations on the amount for these investments.

9. Medium-Term Corporate Notes

As authorized in Government Code Section 53601(k), local agencies may invest in corporate bonds and notes of industrial companies, banks, bank holding companies, insurance companies, thrifts and finance companies that are rated "A" or better by a nationally recognized rating service; and issued by corporations organized and operating in the United States. There are no portfolio limitations for these investments.

10. Shares of Beneficial Interest Issued By Diversified Management Companies

As authorized in Government Code Section 53601(l), local agencies are also authorized to invest in shares of beneficial interest issued by diversified management companies (i.e., mutual funds) as defined in Section 23701(m) of the Revenue and Taxation Code in an amount not to exceed 20% of the agency's portfolio.

11. Financial Futures and Financial Option Contracts

As authorized in Government Code Section 53601.1, local agencies may invest in financial futures or option contracts in any of the above investment categories subject to the same overall portfolio limitations.

12. Time Certificates of Deposit

As authorized in Government Code Section 53635, time certificates of deposit are fixed term, non-negotiable investments which are required to be collateralized 110% by eligible pooled securities. The pool is administered by the State, and is composed of a wide variety of government securities, secured by first mortgages on improved residential property located in the State. There are no portfolio limits on the amount; however the maturity period for this investment vehicle may not exceed five years unless approved by the Council.

Public

13. Local Agency Investment Fund

As authorized in Government Code Section 16429.1, local agencies may invest in the Local Agency Investment Fund (LAIF), a pooled investment fund managed by the State Treasurer's Office. It operates like a money market fund, but is for the exclusive benefit of governmental entities within the State. The current maximum amount of money that may be invested is \$40 million.

14. Moneys Held By A Trustee Or Fiscal Agent

As authorized in Government Code Section 53601(m), debt proceeds held by a trustee or fiscal agent, which are pledged to the payment or security of bonds or other indebtedness may be invested in accordance with the statutory provisions governing the issuance of those bonds or other agreement; or to the extent not inconsistent with statutory provisions, or if there are no specific statutory provisions, investments may be made in accordance with the ordinance, resolution, indenture, or agreement of the local agency for the issuance.

This category includes investment agreements approved in writing by insurance companies, supported by appropriate opinions of counsel with notice to Standard and Poor's.

15. Other Secured Notes, Bonds Or Other Obligations

As authorized in Government Code Section 53601(n), notes, bonds, or other obligations that are at all times secured by a valid first priority security interest in securities of the types listed by Section 53651 as eligible securities.

16. Mortgage Pass Through, Collateralized Mortgage Obligation, Mortgage-backed Bond, Equipment Lease-backed Certificate, Consumer Receivable Pass through Certificate, and Consumer Receivable-backed Bond

As authorized in Government Code Section 53601(o), securities in this category must be rated "AA" or its equivalent or better by a nationally recognized rating service. Purchases may not exceed 20% of the agency's portfolio.

In addition to the authorized investments above, the following investments may be made by Retiree Medical plan funds:

- Up to 100% of the retiree medical plans funds may be invested in equity mutual funds¹ or equity index funds², preferred stocks³ and bond funds⁴.

¹Equity Mutual Fund – A financial intermediary that allows a group of investors to pool their money together with a predetermined investment objective. The mutual fund will have a fund manager who is responsible for investing the pooled money into specific securities. When you invest in a mutual fund, you are buying shares of the mutual fund and become a shareholder of the fund. They are very cost effective, as the fund can purchase securities with much lower trading costs than an individual investor. But the biggest advantage to mutual funds is diversification.

²Equity Index Fund – A mutual fund that attempts to copy the performance of a stock market index. The most common index fund tries to track the S&P 500 by purchasing all 500 stocks

Public

using the same percentages as the index. Index funds have lower fees because computers do most of the work. There is no need to hire an expensive fund manager or research analysts. Index funds can have an expense ratio as low as .18%, while actively managed funds can have an expense ratio over 3%. Over the long-term, the S&P 500 beats the returns of 80% of actively managed funds.

³Preferred Stock – A hybrid between common stock and a bond. Each share of preferred stock is normally paid a guaranteed dividend that receives first priority (i.e., the common stockholders cannot receive a dividend until the preferred dividend has been paid in full) and has priority over the common stockholders relative to the company's assets in the event of bankruptcy.

⁴Bond Fund- A bond fund is a more efficient way of investing in bonds than buying individual securities. Bond mutual funds are just like stock mutual funds in that you put your money into a pool with other investors, and a professional invests that pool of money according to what he or she thinks the best opportunities are. They are very cost effective, as the fund can purchase securities with much lower trading costs than an individual investor. But the biggest advantage to mutual funds is diversification.

Some of the investment vehicles that are Unallowable Investment Vehicles and Restrictions:

The Director of Finance/City Treasurer is not authorized to invest in any of the following investment vehicles:

Financial futures; option contracts, floaters, inverse floaters, range notes, interest-only strips that are derived from a pool of mortgages, or any security that could result in zero interest income if held to maturity may not be purchased. Exclusion of these vehicles is consistent with the City's overall objective of achieving reasonable yields on public funds while minimizing risk and capital losses. Although the potential exists for greater interest yields with these vehicles, it is believed that the potential level of risk exceeds their benefits except in very limited circumstances.

See Appendix A for the Investment Portfolio/Diversification Requirements, which lists the maximum amounts that may be invested in the various investment types and the maximum authorized maturities.

In accordance with Government Code Sections 53620-53622, the assets of the City of Berkeley Retiree Medical Plan Trust may be invested in any form or type of investment deemed prudent by the City Council. The maximum maturity for Retiree Medical Plan Trust funds is 30 years.

VI. CASH MANAGEMENT

To achieve a reasonable return on public funds, the following cash management practices will be followed:

- Maintain maximum investment of all City funds not required to meet immediate cash flow needs.

Public

- Maximize the City's cash flow through the immediate deposit of all cash receipts, use of direct deposits and wire transfers when available, and appropriate timing of payments to vendors.
- Maximize the cash flow information available through the use of only one operating bank account.

VII. EVALUATION OF INVESTMENT PERFORMANCE

An actuarial study commissioned by the City many years ago determined that, in addition to City Contributions, an average rate of return of 7% on miscellaneous employees' retiree medical trust fund assets invested must be achieved to fund the retiree health benefit at the desired 70% level. Primarily as a result of the Federal Reserve Board's decision to keep short-term rates near zero for the last 10 years, the average rate currently earned is significantly below that 7% level.

VIII. INVESTMENT REPORTING

Consistent with Sections 16481.2 and 53646 of the Government Code, the Department of Finance shall submit an annual Statement of Investment Policies to the Council for consideration at a public meeting.

In addition to the submittal of an annual Statement of Investment Policies, the Department of Finance shall provide the Council with a quarterly and annual investment report providing the following information for each investment or security:

- Issuer or broker/dealer (financial institution)
- Type of investment
- Certificate or other reference number if applicable
- Percentage yield on an annualized basis
- Purchase date
- Maturity date for each investment and the weighted average maturity of all the investments within the portfolio
- Current book value
- Current market value
- Total cost and market value, including source of this valuation, of the City's portfolio
- A description of the compliance with the Statement of Investment Policies
- An evaluation of investment operations for the preceding year. This shall include an evaluation of how well the objectives have been achieved: the accuracy of forecasting expenditures and revenues, as well as a comparison of the average returns on the investment portfolio with that of the Local Agency Investment Fund (LAIF).
- Report of investments. The Director of Finance shall prepare a report that provides a clear status of the current investment portfolio and transactions. The report will be prepared in a manner which allows the City Manager and Council to ascertain whether investment activities during the reporting period have conformed to the investment policies.
- Summary of key or unusual events, including but not limited to:
 - Any exceptions to policies;
 - Adherence to or deviations from social investment goals;

Public

- Purchases of Treasury securities, other than in repurchase agreements with maturities of seven days or less;
- Purchases of securities that exceed maturity limits;
- Sales of securities more than three months before maturity;
- Changes in investment procedures, dealers, staff, etc.
- Investment performance;
- A glossary, defining all funds or accounts referred to elsewhere in the report; and
- A listing of banks, securities dealers and custodians that the City has had investment transactions during the period.
- A summary of the certifications for deposits of City funds.
- Other information regarding the City's portfolio as appropriate

The Quarterly Investment Report shall include all investments as of the end of the quarter from all funds held in the City's portfolio, including funds held and invested by trustees; and shall be issued within 30 days after the end of the quarterly reporting period to the City Manager, and the City Council; the annual report shall be issued within 90 days after the end of the fiscal year to the City Manager, and the City Council.

Public

APPENDIX A**INVESTMENT PORTFOLIO
Diversification Requirements**

<u>Investment Instrument</u>	<u>Maximum Amount Of Portfolio</u>	<u>Maximum Length To Maturity</u>
Bank / Time Deposit Accounts	100%	5 Years
Money Market Deposit Accounts	100%	N/A
Repurchase Agreements	10%	1 Year
Reverse Repurchase Agreements	10%	7 Days
Bankers Acceptances	40%	7 Days
U.S. Government Securities (Treasury Bills, Notes, and Bonds)	100%	30 Years
U.S. Government Agency Securities by Agency	100%	30 Years
Certificates of Deposit (Negotiable)	30%	30 Years
Municipal Bonds	100%	30 Years
Commercial Paper	25%	180 Days
Medium Term Notes	30%	30 years

In addition to the investments above, the following investments may be made by Retiree Medical plan funds:

- Up to 25% of the retiree medical plans funds may be invested in equity mutual funds¹ or equity index funds², and preferred stock³.

Public

¹Equity Mutual Fund – A financial intermediary that allows a group of investors to pool their money together with a predetermined investment objective. The mutual fund will have a fund manager who is responsible for investing the pooled money into specific securities. When you invest in a mutual fund, you are buying shares of the mutual fund and become a shareholder of the fund. They are very cost effective, as the fund can purchase securities with much lower trading costs than an individual investor. But the biggest advantage to mutual funds is diversification.

²Equity Index Fund – A mutual fund that attempts to copy the performance of a stock market index. The most common index fund tries to track the S&P 500 by purchasing all 500 stocks using the same percentages as the index. Index funds have lower fees because computers do most of the work. There is no need to hire an expensive fund manager or research analysts. Index funds can have an expense ratio as low as .18%, while actively managed funds can have an expense ratio over 3%. Over the long-term, the S&P 500 beats the returns of 80% of actively managed funds.

³Preferred Stock – A hybrid between common stock and a bond. Each share of preferred stock is normally paid a guaranteed dividend that receives first priority (i.e., the common stockholders cannot receive a dividend until the preferred dividend has been paid in full) and has priority over the common stockholders relative to the company's assets in the event of bankruptcy.



Office of the City Manager

CONSENT CALENDAR

June 24, 2025

To: Honorable Mayor and Members of the City Council

From: Paul Buddenhagen, City Manager

Submitted by: Henry Oyekanmi, Director, Finance Department

Subject: Appropriations Limit for FY 2026

RECOMMENDATION

Adopt a Resolution establishing the appropriations limit at \$407,546,513 for FY 2026 pursuant to Article XIIIB of the Constitution of the State of California based on the calculations for the appropriations limit.

FISCAL IMPACTS OF RECOMMENDATION

The amount of appropriations subject to the limit are budgeted proceeds of taxes (e.g., all taxes levied; transfers from an enterprise fund to the extent those transfers exceed the cost of providing the services; discretionary state subventions; interest earned from the investment of proceeds of taxes, etc.), and the total of these budgeted revenues cannot exceed the total appropriations limit. The City's actual appropriations in each fiscal year have been significantly below the limit, as they will be for FY 2026. Thus, there are no present financial implications of establishing the limit.

CURRENT SITUATION AND ITS EFFECTS

Each year in June, concurrent with the adoption of the budget, Council must approve an appropriations limit for the following fiscal year pursuant to the State constitution. This resolution adopts the appropriations limit for FY 2026 at \$407,546,513. The excess of the appropriations limit over appropriations is \$66,529,966 for FY 2026 based on the proposed budget appropriations for FY 2026.

The Finance Department has compiled the data and made calculations to determine the FY 2026 appropriations limit. The documentation of determination, upon adoption and promulgation of the attached draft resolution, has been available for review by the public in the Office of the City Clerk. Exhibits A and B attached hereto, provide the required documentation. Exhibit A is a summary of the appropriations limit determination, the amount of appropriations subject to the limit, and the excess of the appropriations limit over appropriations. Exhibit B provides details of the appropriations limit calculations.

The Council action will set the FY 2026 appropriations subject to the limitations of Article XIIIB of the Constitution of the State of California, which may not exceed the

amounts calculated by the City's Finance Department. These calculations were filed with the City Clerk at least 15 days prior to June 24, 2025.

BACKGROUND

In November 1989, the voters of the State of California approved Proposition 4, commonly known as the (Paul) Gann Initiative, and added Article XIII B of the State's Constitution. In June 1990, this Article was modified by the passing of Proposition 111. These propositions placed various limitations on the fiscal powers of state and local government.

Senate Bill 1352 requires that: 1) the governing body of each local jurisdiction shall establish by a legislative action its appropriations limit at a regularly scheduled meeting or noticed special meeting; and 2) 15 days prior to such meeting, give notice that documentation used to determine the appropriations limit shall be made available to the public.

The Council action will set the FY 2026 appropriations subject to the limitations of Article XIII B of the Constitution of the State of California, which may not exceed the amounts calculated by the City's Finance Department. These calculations were filed with the City Clerk 15 days prior to June 24, 2025.

RATIONALE FOR RECOMMENDATION

This is a state law.

ALTERNATIVE ACTIONS CONSIDERED

None

ENVIRONMENTAL SUSTAINABILITY AND CLIMATE IMPACTS

There are no identifiable environmental effects or opportunities associated with the subject of this report.

CONTACT PERSON

Henry Oyekanmi, Director, Finance Department, 981-7301

Attachments:

1: Resolution

Exhibit A: GANN Appropriation Limit FY 2026

Exhibit B: Schedule to Calculate Appropriation Limitation FY 2026

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

ESTABLISHING AN APPROPRIATIONS LIMIT FOR FY 2026

WHEREAS, on November 6, 1979, the citizens of the State of California approved Proposition 4, which added Article XIII B to the Constitution of the State of California to place various limitations on the fiscal powers of State and local government; and

WHEREAS, on June 5, 1990, the citizens of the State of California approved Proposition 111 which provided new Proposition 111 adjustment formulas; and

WHEREAS, Senate Bill 1352, enacted by the Legislature of the State of California, provides for the implementation of Article XIII by defining various terms in this article; and

WHEREAS, pursuant to the requirements of Senate Bill 1352, the City Council, on June 3, 2025 adopted a Resolution which gave notice, as required by law, that the City Council would establish the City of Berkeley appropriations limit for FY 2026 by a Resolution of the City Council on June 24, 2025.

NOW THEREFORE, BE IT RESOLVED by the Council of the City of Berkeley, that the Council, pursuant to the requirements and criteria set forth in Senate Bill 1352, does hereby establish the appropriations limit at \$407,546,513 for FY 2026 for the City of Berkeley as documented in Exhibits A and B attached hereto and incorporated herein by reference as though fully set forth.

Exhibits:

A: GANN Appropriation Limit FY 2026

B: Schedule to Calculate Appropriation Limitation FY 2026

EXHIBIT A

**CITY OF BERKELEY
GANN APPROPRIATION LIMITATION FOR FY 2026
(Based on the FY 2026 Proposed Budget)**

FY 2025 Gann Appropriation Limit of \$287,801,505 (before Special Taxes Added), Adjusted for Growth Factor of 1.0620 (See Exhibit B)	\$	305,645,198
ADD BACK:		
Library Tax		28,150,805
Emergency Medical Services Special Tax		4,004,684
Park Maintenance, City Trees and Landscaping Special Tax		22,467,856
Emergency Services for Severely Disabled Tax		1,882,839
Fire Protection and Emergency Response and Preparedness		6,326,071
Firefighting, Emergency Medical Response and Wildfire		10,969,060
Library Relief		5,600,000
Measure FF Streets		22,500,000
TOTAL Gann Appropriation Limitation	\$	407,546,513 ⁽¹⁾
Appropriations Subject to Gann Limitation	\$	<u>341,016,547</u> ⁽²⁾
EXCESS of Limitation Over Appropriation	\$	<u><u>66,529,966</u></u>

Notes:

(1) The appropriation limit is the calculated dollar amount, which restricts the ability to receive and appropriate proceeds of taxes.

(2) The amounts of appropriations subject to the limitation are budgeted proceeds of taxes (e.g., all taxes levied; transfers from an enterprise fund to the extent those funds exceed the cost of providing the services; discretionary state subventions; interest earned from the investment of proceeds of taxes, etc.) and the total of these budgeted revenue cannot exceed the total appropriation limitations.

The GANN Limit override to raise the spending limit for the special taxes are required to be renewed by voters every four years. The date the next GANN Limit override is to be submitted to voters is November, 2028

Total City Appropriations (Per Final Amended Budget for FY 1978/79)	\$ 72,457,778
Less: 1. Debt Service Appropriation	\$ 457,186
2. Inter-service Funds:	
Equipment Maintenance	1,436,890
Warehouse	554,883
3. Enterprise Funds:	
Off-Street Parking	414,609
Marina Operations & Maintenance	1,623,144
Sanitary Sewer Maintenance & Construction	1,260,012
Refuse Collection	3,635,197
4. Non-Proceeds of Taxes	33,147,004
Appropriation Subject to Limitation	42,528,925
Base Year 1978/79	\$ 29,928,853

Fiscal Year	Beginning Balances		Less: Transferred Cost		Add Back: Special Taxes										Subtotal Transferred Cost and Special Taxes	Appropriation Limit After Transferred Cost and Add Back of Special Taxes	
	Growth Factor	Appropriation Limit Before Transferred Cost and Add Back of Special Taxes	Landscaping	Street Lighting	Library Relief Tax	Emergency Medical Services Special Tax	Park Maintenance City Trees and Landscaping Special Tax	Emergency Paratransit Tax	Disaster Fire Protection Tax	Fire Protection & Emergency Response & Preparedness	Firefighting, Emergency Medical Response and Wildfire	Library Relief	Measure FF Streets				
Base Year		\$ 29,928,853															\$ 29,928,853
1980	1.097700	32,852,902															32,852,902
1981	1.121400	36,841,244															36,841,244
1982	1.083100	39,902,752	\$ (949,298)	\$ (522,600)												\$ (1,471,898)	38,430,854
1983	1.070200	41,128,700															41,128,700
1984	1.029600	42,346,109															42,346,109
1985	1.047000	44,336,377															44,336,377
1986	1.045400	46,349,249															46,349,249
1987	1.025800	47,545,060															47,545,060
1988	1.047500	49,803,451															49,803,451
1989	1.054700	52,527,700															52,527,700
1990	1.050200	55,164,591			\$ 6,010,000											6,010,000	61,174,591
1991	1.056300	58,270,356			6,600,000											6,600,000	64,870,356
1992	1.056800	61,580,113			6,752,000											6,752,000	68,332,113
1993	1.057900	65,145,601			6,850,000											6,850,000	71,995,601
1994	1.043100	67,953,377			7,202,000											7,202,000	75,155,377
1995	1.016900	69,101,789			7,202,000											7,202,000	76,303,789
1996	1.030200	71,188,663			7,570,000											7,570,000	78,758,663
1997	1.063200	75,687,786			7,570,000											7,570,000	83,257,786
1998	1.060800	80,289,604			7,570,000	\$ 1,639,599	\$ 5,500,000									14,709,599	94,999,203
1999	1.060400	85,139,096			7,927,500	1,651,547	5,790,163									15,369,210	100,508,306
2000	1.059900	90,238,928			8,373,875	1,701,933	5,850,400									15,925,368	106,164,296
2001	1.057500	95,427,666			8,936,938	1,812,014	6,025,912									16,774,864	112,202,530
2002	1.097300	104,712,778			9,478,469	1,927,257	7,211,984	\$ 661,000								9,478,469	123,991,488
2003	0.999740	104,685,553			9,997,653	1,974,876	7,435,281	689,369	\$ 1,000,000							21,097,179	125,782,732
2004	1.031489	107,981,996			11,654,000	2,034,352	7,609,028	690,475	970,000							22,957,855	130,939,851
2005	1.040236	112,326,760			11,603,755	2,000,000	7,594,920	702,727	950,639							22,852,041	135,178,801
2006	1.060000	119,066,366			12,214,113	2,040,000	7,755,780	754,105	969,652							23,733,650	142,800,016
2007	1.052907	125,365,810			12,580,535	2,120,827	7,975,189	771,244	969,652							24,417,447	149,783,257
2008	1.055370	132,307,315			13,209,469	2,184,452	8,214,445	805,333	998,742							25,412,441	157,719,756
2009	1.056666	139,804,642			13,520,414	2,274,380	8,502,545	839,882	969,652							26,106,873	165,911,515
2010	1.018780	142,430,173			13,655,619	2,297,124	8,587,570	889,152	969,652	5,400,000						31,799,117	174,229,290
2011	1.072060	152,693,690			13,904,789	2,332,903	8,754,869	894,401	969,652	3,600,000						30,456,614	183,150,304
2012	1.0381	158,511,319			14,425,555	2,461,803	9,237,474	944,155	969,652	3,788,761						31,827,400	190,338,719
2013	1.04787	166,099,254			15,028,438	2,484,633	9,309,080	967,511	985,734	3,879,323						32,654,719	198,753,973
2014	1.063912	176,714,993			15,870,770	2,561,235	9,586,190	1,022,302	985,734	4,095,987						34,122,218	210,837,211
2015	1.011200	178,694,201			16,345,912	2,640,032	9,865,971	1,052,122	985,734	4,186,198						35,075,969	213,770,170
2016	1.051700	187,932,691			16,617,288	2,687,121	10,043,981	1,070,929	985,734	4,256,304						35,661,357	223,594,048
2017	1.064900	200,129,523			17,893,335	2,778,750	12,150,387	1,152,175	985,734	4,583,053						39,543,434	239,672,957
2018	1.047200	209,575,636			18,786,687	2,916,558	12,763,390	1,209,625	985,734	4,812,892						41,474,886	251,050,522
2019	1.045400	219,090,370			19,746,463	3,047,265	13,411,968	1,270,257	985,734	5,058,273						43,519,960	262,610,330
2020	1.046200	229,212,345			20,806,525	3,215,011	14,143,821	1,339,668	985,734	5,328,686						45,819,445	275,031,790
2021	1.041100	238,632,972			20,342,539	3,183,676	14,369,424	1,361,402	985,734	5,405,100						45,647,475	284,280,447
2022	1.053400	251,375,973			21,704,603	3,330,634	15,320,468	1,451,853	0	5,559,637	12,750,000					60,117,195	311,493,168
2023	1.068800	268,670,640			23,837,768	3,562,620	16,791,663	1,590,735	0	5,777,036	8,604,000					60,163,822	328,834,462
2024	1.039400	279,256,263			25,050,748	3,742,618	17,664,146	1,673,845	0	5,645,200	9,770,233					63,546,790	342,803,053
2025	1.030600	287,801,505			25,905,893	3,874,480	18,297,945	1,733,706	0	5,821,950	10,102,578					65,736,552	353,538,057
2026	1.062000	305,645,198			28,150,805	4,004,684	22,467,856	1,882,839	0	6,326,071	10,969,060	5,600,000	22,500,000			101,901,315	407,546,513



Office of the City Manager

CONSENT CALENDAR

June 24, 2025

To: Honorable Mayor and Members of the City Council

From: Paul Buddenhagen, City Manager

Submitted by: Henry Oyekanmi, Director, Finance Department
David Sprague, Fire Chief, Fire Department

Subject: FY 2026 Tax Rate: Fund Fire Protection and Emergency Response and Preparedness (Measure GG)

RECOMMENDATION

Adopt first reading of an Ordinance setting the FY 2026 tax rate for funding Fire Protection and Emergency Response and Preparedness in the City of Berkeley at the rate of \$0.06695 (6.695 cents) per square foot of improvements for dwelling units and setting the rate for all other property at \$0.10132 (10.132 cents) per square foot of improvements.

FISCAL IMPACTS OF RECOMMENDATION

The tax levy of the recommended \$0.06695 per square foot of improvements for dwelling units and \$0.10132 per square foot of non-dwelling improvements. This will result in estimated collections of \$6,326,071 for the fund. The tax rate will result in an increase in the citywide average for 1900 square foot dwelling and all other property from FY 2025 of \$7.70 and \$11.65, respectively.

CURRENT SITUATION AND ITS EFFECTS

The FY 2025 tax rates of \$0.0629 for dwelling units and \$0.09519 for all other property were adjusted by the per capita the Consumer Price Index (CPI) or the Personal Growth Index in California. The voters approved increasing the Measure GG tax rate annually by up to the greater of the Consumer Price Index increase in the immediate San Francisco Bay Area or the per capita Personal Income Growth in California. The Personal Growth Index per capita rate for FY 2025 has been set at 6.44%. The CPI rate is 1.30% in FY 2025.

At their regular meeting on May 28, 2025, the Disaster and Fire Safety Commission voted to recommend an increase to the Measure GG tax rate assessment using the Personal Income Growth Index Rate of 6.44%.

Action: M/S (Kinosian, Wilson): Vote: 9 Ayes: Katz, Wilson, Bradstreet, Darling, Kinosian, Dean, Murphy, Herzer-Baptiste, Gordon; 0 Nays; 0 Abstain

It is recommended that the City Council authorize the levy of a special tax of \$0.06695 per square foot for dwelling units and \$0.10132 for all other property in the City of Berkeley. The tax will result in an increased cost to taxpayers in the following average amounts during Fiscal Year 2026, as compared with amounts for FY 2025:

FY 2026

Square Feet	Dwelling Units	All Other Properties
1,200	80.34	121.58
1,500	100.43	151.98
1,900	127.21	192.51
3,000	200.85	303.96
3,900	261.11	395.15
10,000	669.50	1013.20

FY 2025

Square Feet	Dwelling Units	All Other Properties
1,200	\$75.48	\$114.23
1,500	94.35	142.79
1,900	119.51	180.86
3,000	188.70	285.57
3,900	245.31	371.24
10,000	629.00	951.90

BACKGROUND

In the November 2008 election, Berkeley voters approved Measure GG, which authorized the levying of a special tax. The tax proceeds will be used first to eliminate rotating closures of operating fire stations, and to provide advanced life support personnel (paramedics) and equipment on all first responder vehicles (ambulances, fire engines and ladder trucks). The funds would also be used to (1) hire a training officer to provide Emergency Medical Service training for first responders; (2) hire staff to conduct Community Emergency Response Training and other similar public disaster training and preparedness efforts and for neighborhood emergency preparedness caches; and (3) to acquire and maintain equipment to enhance emergency preparedness, including equipment to allow compatible radio communications throughout the City and with outside public safety agencies. On November 5, 2024, over 88% of Berkeley voters approved Measure AA to re-authorize the City, for a period of four (4) years through FY 2028, to spend the Fire Protection and Emergency Response and Preparedness tax.

ALTERNATE CONSIDERATIONS

The City Council may consider adjusting the current recommended tax rate of \$0.06372 per square foot of improvements for dwelling units and \$0.09643 per square foot of improvements for all other property by the per capita Consumer Price Index in California of 1.30% with projected revenue of \$6,020,584.

ENVIRONMENTAL SUSTAINABILITY AND CLIMATE IMPACTS

There are no identifiable environmental opportunities or impacts associated with the subject of this report.

CONTACT PERSON

Henry Oyekanmi, Director, Finance Department, 981-7301
David Sprague, Fire Chief, 981-5500

Attachments:

1: Ordinance

ORDINANCE NO. -N.S.

SETTING THE FISCAL YEAR 2026 SPECIAL TAX RATE TO FUND FIRE PROTECTION AND EMERGENCY RESPONSE AND PREPAREDNESS (MEASURE GG) IN THE CITY OF BERKELEY

BE IT ORDAINED by the Council of the City of Berkeley as follows:

Section 1. The FY 2026 Tax Rate for the Fire Protection and Emergency Response and Preparedness (Measure GG) is set at:

\$0.06695 per square foot of improvements for dwellings
\$0.10132 per square foot of improvements for all other properties

Section 2. The cost to taxpayers during FY 2026 will be \$80.34 for a 1,200 square foot dwelling and \$200.85 for a 3,000 square foot dwelling.

Section 3. This tax rate will result in estimated total collections of \$6,326,071

Section 4. The tax imposed by this ordinance does not apply to any property owner whose total personal income, from all sources for the previous calendar year, does not exceed that level which shall constitute a very low income, as established by resolution of City Council.

Section 5. Copies of this Ordinance shall be posted for two days prior to adoption in the display case located near the walkway in front of the Maudelle Shirek Building, 2134 Martin Luther King Jr. Way. Within 15 days of adoption, copies of this Ordinance shall be filed at each branch of the Berkeley Public Library and the title shall be published in a newspaper of general circulation.



Office of the City Manager

CONSENT CALENDAR
June 24, 2025

To: Honorable Mayor and Members of the City Council
 From: Paul Buddenhagen, City Manager
 Submitted by: Henry Oyekanmi, Director, Finance Department
 David Sprague, Fire Chief, Fire Department
 Subject: FY 2026 Tax Rate: Fund Firefighting, Emergency Medical Response and Wildfire Prevention (Measure FF)

RECOMMENDATION

Adopt first reading of an Ordinance setting the FY 2026 tax rate for funding Firefighting, Emergency Medical Response and Wildfire Prevention (Measure FF) in the City of Berkeley at the annual tax rate of \$0.1299 (12.99 cents) per square foot of improvements.

FISCAL IMPACTS OF RECOMMENDATION

The tax levy rate of the recommended \$0.1299 per square foot of improvements is projected to yield approximately \$10,969,060 in revenues.

CURRENT SITUATION AND ITS EFFECTS

The FY 2025 tax rate of \$0.1220 is being adjusted by the Personal Income Growth in California of 6.44% based on Berkeley Municipal Code 7.83.020 as adopted by the City Council under Ordinance No. 7,745-N.S. on June 16, 2020. Measure FF is a special parcel tax for firefighting, emergency medical response and wildfire prevention that limits the annual tax rate based on the greater of the increase in the cost of living in the immediate San Francisco Bay Area or per capita Personal Income Growth in California. It is estimated that the tax will cost taxpayers the following amounts for FY 2026, as compared with FY 2025:

Square Feet	FY 2026	FY 2025
1,200	\$155.88	\$ 146.40
1,500	194.85	183.00
1,900	246.81	231.80
3,000	389.70	366.00
3,900	506.61	475.80
10,000	1299.00	1,220.00

BACKGROUND

Measure FF authorized a special parcel tax for the purpose of funding firefighter and emergency medical response, upgrades to the 9-1-1 dispatch system, hazard mitigation, and wildfire prevention and preparedness activities.

In 2008, voters passed Measure GG to stop fire stations from being closed and services from being reduced, in the context of a major economic downturn. Measure GG designated the Disaster and Fire Safety Commission a formal oversight role, the duties of which are replicated, with respect to Measure FF, through the passage of this Council item.

Now, with rising challenges from climate change and fires, bigger demands on our emergency services, and the worst economic downturn since the Great Depression, Measure FF was placed on the November 2020 ballot by a unanimous vote of the City Council and it was approved by voters, to provide funds to modernize the City's 9-1-1 dispatch system, upgrade equipment, hire additional paramedics, improve emergency alert systems and continue to clear fire fuels, among other things.

The effective date for this tax was January 1, 2021. The City will raise approximately \$10,969,060 for FY 2026.

ENVIRONMENTAL SUSTAINABILITY AND CLIMATE IMPACTS

There are no identifiable environmental effects or opportunities associated with the subject of this report.

CONTACT PERSON

Henry Oyekanmi, Director, Finance Department, (510) 981-7301
David Sprague, Fire Chief, (510) 981-5500

Attachments:
1: Ordinance

ORDINANCE NO. #,###-N.S.

SETTING THE FISCAL YEAR 2026 SPECIAL TAX RATE TO FUND FIREFIGHTING, EMERGENCY MEDICAL RESPONSE AND WILDFIRE PREVENTION (MEASURE FF) IN THE CITY OF BERKELEY

BE IT ORDAINED by the Council of the City of Berkeley as follows:

Section 1. The FY 2026 tax rate to provide for the costs incurred for the firefighting, emergency medical response and wildfire prevention (Measure FF) is set at 0.1299 per square foot of improvements.

Section 2. The cost to taxpayers during FY 2026 will be \$155.88 for a 1,200 square foot dwelling and \$389.70 for a 3,000 square foot dwelling.

Section 3. This tax rate will result in estimated total collections of \$10,969,060.

Section 4. Copies of this Ordinance shall be posted for two days prior to adoption in the display case located near the walkway in front of the Maudelle Shirek Building, 2134 Martin Luther King Jr. Way. Within 15 days of adoption, copies of this Ordinance shall be filed at each branch of the Berkeley Public Library and the title shall be published in a newspaper of general circulation.



Office of the City Manager

CONSENT CALENDAR
June 24, 2025

To: Honorable Mayor and Members of the City Council
 From: Paul Buddenhagen, City Manager
 Submitted by: Scott Gilman, Director, Health, Housing and Community Services
 Subject: Funding Reservation for Resources for Community Development's Maudelle Miller Shirek Community Project

RECOMMENDATION

Adopt a Resolution:

1. Reserving an additional \$500,000 for Resources for Community Development's (RCD) Maudelle Miller Shirek Community project from the FY25 available Small Sites Program fund balance.
2. Conditioning the funding on RCD providing information to tenants on City rental assistance programs with any nonpayment eviction notices issued at the project.
3. Authorizing the City Manager or designee to execute all original or amended documents or agreements to effectuate this action.

FISCAL IMPACTS OF RECOMMENDATION

The City's Housing Trust Fund (HTF) Program has a balance of approximately \$5.8M, all of which is expected to be allocated through the active HTF Request for Proposals process supporting occupied affordable projects with critical rehab needs. The only other unallocated HTF resources that can be used are the \$1.4M in unspent HTF resources that were allocated to the Small Sites Program (SSP) in FY25. A total of \$5M in FY25 SSP funds was made available through a competitive process, and approximately \$3.6M was allocated to the City's third SSP project - 2627 California Street, being developed by Bay Area Community Land Trust. This portion of the remaining FY25 SSP funds include fees paid into the Housing Trust Fund (Fund #120).

CURRENT SITUATION AND ITS EFFECTS

In March 2025, Resources for Community Development (RCD) submitted a request for \$1M for Maudelle Miller Shirek Community (MMSC), to help cover a \$1.66M financing gap caused by significant schedule delays, increased cost of construction financing, and other factors outside of the project team's control. The HTF Guidelines allow consideration of funding for at-risk projects outside of a competitive funding process. As

a previously funded project that has not yet completed its conversion to permanent financing, MMSC meets the definition of an at-risk project. Although RCD requested \$1M to help close their financing gap, they indicated \$500,000 was the minimum they need from the City for a successful conversion to permanent financing. Due to the limited availability of City housing funds, staff and the HAC recommend funding at the lower level.

On May 1, 2025, the Housing Advisory Commission (HAC) voted to support staff's recommendation to reserve an additional \$500,000 in funding for MMSC. The HAC also voted to add a condition requiring RCD to include information on City-funded rental assistance programs with any eviction notices issued by RCD to MMSC tenants for nonpayment of rent.

M/S/C: Shere/Alpert. Ayes: Alpert, Bell, Haycox, Micael, Scott, Shere, and Simon-Weisberg. Noes: None. Abstain: None. Absent: Braslaw (unexcused), Potter (unexcused).

BACKGROUND

RCD completed construction on MMSC earlier this year and is in the final phases of lease-up. MMSC provides permanently affordable housing for 86 extremely low-, very low-, and low-income households, including 12 apartments dedicated to previously homeless residents. The City has an existing \$17M HTF loan for MMSC, and this is the first project to which the City's preference policy is being applied.

RCD closed MMSC's construction financing in early 2022, but faced delays throughout the project, including a 6-month delay in securing approvals from Alameda County's Department of Environmental Health before construction could even start, a 4-month delay in securing power from PG&E, and delays from the City's approval process for the temporary certificate of occupancy.

Before requesting additional City funds, RCD took steps to reduce costs and increase other funding to the project. RCD and their design team used value engineering to decrease construction costs by approximately \$1M. They also pursued \$1M in funding from the Federal Home Loan Bank's Affordable Housing Program and negotiated \$2M in additional equity from the tax credit equity investor. To help close the gap further, RCD plans to defer a greater portion of their developer fee than initially planned and instead collect that fee from the project's future cash flow.

ENVIRONMENTAL SUSTAINABILITY AND CLIMATE IMPACTS

There are no direct environmental impacts to the recommended action.

RATIONALE FOR RECOMMENDATION

If the City is unable to help fund the gap, RCD may need to consider reductions in operating and services staff and programs that contribute to ensuring a stable and

healthy community. Funding RCD's lower request supports the project while preserving the remaining FY25 SSP funding for future projects.

ALTERNATIVE ACTIONS CONSIDERED

The City could fund RCD at their full request, but that would further diminish the remaining FY25 SSP funds. Staff instead urged RCD to seek alternative funding sources for the remainder of the gap.

CONTACT PERSON

Jenny Wyant, Program Manager, HHCS, 510-981-5228

Attachments:

1: Resolution

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

APPROVAL OF THE FUNDING RESERVATION FOR THE MAUELLE MILLER
SHIREK COMMUNITY PROJECT

WHEREAS, the City Council established a Housing Trust Fund Program (HTF) to assist in the development and expansion of affordable housing to low- and moderate-income persons who either work or reside within the City of Berkeley, and authorized the City Manager to implement the Program; and

WHEREAS, City Council adopted guidelines (HTF Guidelines) as revised on January 19, 2021, and authorized the City Manager to implement the HTF program in accordance with the Guidelines; and

WHEREAS, through Resolutions 68,824-N.S., 69,163-N.S., and 69,231-N.S., the City Council voted to reserve a total of \$17,000,000 in housing funds for Resources for Community Development's (RCD) Maudelle Miller Shirek Community (MMSK) project; and

WHEREAS, the City's HTF Guidelines allow funding requests to be submitted at any time for projects at imminent risk, including previously funded projects with funding gaps; and

WHEREAS, in March 2025, RCD requested additional funding for MMSK, a project that meets the HTF Guidelines' definition of at-risk;

WHEREAS, on May 1, 2025, the Housing Advisory Commission recommended Council approve \$500,000 for MMSK; and

WHEREAS, the only currently available housing funds are approximately \$1.4M in HTF resources allocated to the Small Sites Program in FY25 that have not been allocated to a project.

NOW THEREFORE, BE IT RESOLVED by the Council of the City of Berkeley that the Council approves the reservation of \$500,000 for MMSK and that the funds be reserved from the City's available FY25 Small Sites Program funds in the Housing Trust Fund (Fund #120).

BE IT FURTHER RESOLVED THAT as a condition of this funding; RCD is required to provide information to MMSK tenants on City rental assistance programs with any nonpayment eviction notices issued at that property.

BE IT FURTHER RESOLVED THAT funds shall be reserved for a period of no more than 24 months from the date of this Resolution, contingent on RCD obtaining all required approvals and closing the project's permanent financing within the reservation period.

BE IT FURTHER RESOLVED that that the funding reservation is conditioned upon the completion of the environmental review process, except as authorized by 24 CFR, Part

58, and that should HOME and/or CDBG funds constitute a portion of the funding for any project, a final commitment of HOME and/or CDBG funds shall occur only upon the satisfactory completion of the appropriate level of environmental review and also upon the receipt of approval of the request for release of funds and related certification from the U.S. Department of Housing and Urban Development, when applicable. The funding reservation for any of the HOME and/or CDBG funded projects is conditioned upon the City of Berkeley's determination to proceed with, modify, or cancel the project based on the results of subsequent environmental review under the National Environmental Policy Act.

BE IT FURTHER RESOLVED THAT the making of the loan shall be contingent on and subject to such other appropriate terms and conditions as the City Manager or designee may establish.

BE IT FURTHER RESOLVED THAT the City Manager or designee is hereby authorized to execute all original or amended documents or agreements to effectuate this action; a signed copy of said documents, agreements and any amendments will be kept on file in the Office of City Clerk.



Office of the City Manager

CONSENT CALENDAR
June 24, 2025

To: Honorable Mayor and Members of the City Council
 From: Paul Buddenhagen, City Manager
 Submitted by: Scott Gilman, Director, Health, Housing & Community Services
 Subject: 2024 Housing Trust Fund Request for Proposals - Funding Reservations

RECOMMENDATION

Adopt a Resolution to:

1. Reserve \$2,990,000 in funding for Resources for Community Development's Adeline Street Apartments (3224 Adeline Street);
2. Reserve \$2,868,571 in funding for Satellite Affordable Housing Associates' Ashby Lofts (2909 Ninth Street);
3. Authorize the City Manager to refinance existing HTF loans for each project into new loans with terms consistent with the HTF Guidelines;
4. Waive Section IV.C.1 of the Housing Trust Fund Guidelines for projects receiving funds through this Request for Proposal process;
5. Condition the funding on the respective housing developers providing information to tenants on City rental assistance programs with any nonpayment eviction notices issued at these properties;
6. Approve multi-year operating funding contracts for Resources for Community Development and Satellite Affordable Housing Associates, starting Fiscal Year (FY) 2025-2026 and ending in FY2029-2030, estimated at up to \$30,000 per organization per year;
7. Authorize City Manager or designee to determine the amount of funding to be awarded to Resources for Community Development and Satellite Affordable Housing Associates annually from FY2026 to FY2030, based on the amount of the City's annual allocation of HOME funds and availability of General Fund match; and
8. Authorize the City Manager or designee to execute all original or amended documents or agreements to effectuate this action.

SUMMARY

The City issued the 2024 Housing Trust Fund (HTF) Request for Proposals (RFP) in November 2024 to solicit applications for funding for the rehabilitation of existing affordable housing and for operating support to certified Community Housing Development Organizations (CHDOs). The RFP included funds from the HTF, including HOME funds, Permanent Local Housing Allocation (PLHA) funds and other HTF fees. Approximately \$5.8M is available for rehabilitation including \$1.2M in federal HOME

funds that need to be committed to a project before December 31, 2025. In addition to the rehabilitation funds, up to 5% of the City's annual HOME allocation is available to certified CHDOs for operating funding, to support their work on existing and future HOME-funded projects. The amount of CHDO operating funds is expected to fluctuate annually, depending on the year's HOME allocation and General Fund match, for a total of up to \$60k per year, to be split amongst the organizations that certify. Each certified CHDO will enter into a 5-year operating grant.

The City received five proposals requesting a total of \$11.5 million in rehab funds. Three organizations submitted applications for CHDO certification, in order to access the annual operating support funds. The funding recommendations reflect staff and the Housing Advisory Commission's (HAC's) desire to support projects with the highest health and safety needs, and to allocate the available HOME funds to a project that can meet the commitment deadline. The two projects recommended for funding -- 3224 Adeline Street and 2909 Ninth Street – will result in the rehabilitation of projects that are in significant disrepair.

At its May 1, 2025, meeting the HAC also supported a HAC HTF Subcommittee and staff recommendation for City Council to consider augmenting the Housing Trust Fund with resources from any available funding source, including but not limited to Measure U1, to support the unfunded rehabilitation proposals for Dwight Way Apartments (\$1.67M), University Homes (\$750k) and additional funding required to fully fund Ashby Lofts (\$56k). However, due to the City's budgetary constraints, there are no identifiable resources to support these projects and the recommendation is being withdrawn.

FISCAL IMPACTS OF RECOMMENDATION

The approximately \$5.8M in housing rehab funds available through this RFP include \$1.2M in HOME (Fund #310), Permanent Local Housing Allocation funds (Fund #302), and other HTF fees (including Funds #120, #122, #123, and #331). CHDO operating support estimated at up to \$30k per year per certified CHDO would come from the City's HOME funds (Fund #310) and General Funds (Fund #501), as shown in the FY26 approved budget and subject to budget approvals in fiscal years 2027-2030.

CURRENT SITUATION AND ITS EFFECTS

The City's portfolio of HTF-funded projects is aging, and while projects with limited cash flow can typically address regular maintenance and unit turnovers, they may not be able to build sufficient reserves to address major capital projects. The City issued an RFP on November 25, 2024, to solicit proposals for rehabilitation of existing affordable housing projects previously funded by the City, and for operating support to certified CHDOs. The City received five applications for rehabilitation funding and three applications for operating support funds by the February 6, 2025 due date.

At their May 1, 2025, meeting, the HAC supported the staff and the HAC HTF Subcommittee recommendations to fund two rehabilitation projects, and operating

support for two eligible CHDOs as written above. The HAC also voted to add a condition requiring that the housing providers receiving funding through this RFP include information on City-funded rental assistance programs with any eviction notices issued by organizations to their tenants for nonpayment of rent.

M/S/C: Haycox/Bell. Ayes: Alpert, Bell, Haycox, Micael, Scott, Shere, and Simon-Weisberg. Noes: None. Abstain: None. Absent: Braslaw (unexcused), Potter (unexcused)

In addition, the HAC supported a recommendation for Council to consider increasing the allocation to the HTF from U1 or another available source to support the unfunded rehabilitation proposals for Dwight Way Apartments (\$1.67M), University Homes (\$750k) and additional funding required to fully fund Ashby Lofts (\$56k). After staff made that initial recommendation, the City's FY26 budget forecasts revealed a projected deficit, with limited U1 available in FY26. This recommendation cannot advance since the funds are not available. HAC and staff's recommendations align beyond this discrepancy.

BACKGROUND

Staff reviewed all funding applications for alignment with HTF priorities, feasibility, and urgency, and evaluated the applications according to the following criteria identified in the RFP:

- Developer Capacity
- Project Feasibility
- Local Needs and Priorities
- Readiness to Proceed

Rehabilitation Projects

The five proposals for rehabilitation funding are described below:

- **Adeline Street Apartments - Resources for Community Development (RCD)**
RCD requested \$2,990,000 for renovation of Adeline Street Apartments, located at 3222-24 Adeline Street.

Located at 3222-24 Adeline Street, this 18-unit building provides fully accessible housing to residents with disabilities who have extremely low incomes. The building suffers from serious structural and deferred maintenance issues, including failing balconies and stairways, water damage, deteriorating roofing and mechanical systems, and outdated security infrastructure. The proposed rehabilitation would address these conditions, improve safety and durability, and preserve vital supportive housing.

The rehabilitation project would be funded primarily with the HTF funds requested through this RFP, offset by a small contribution from the project's

replacement reserves, and proposed CDBG funds for the commercial space improvements.

HAC supported staff and HTF Subcommittee recommendation to (i) fund at the full total request of \$2,990,000; (ii) refinance the original HTF loan into a new loan with terms consistent with the HTF Guidelines; and (iii) waive Section IV.C.1 of the HTF Guidelines to allow a City subsidy greater than 40% of the project's total development costs.

- **Ashby Lofts - Satellite Affordable Housing Associates (SAHA)**
SAHA requested \$2,924,829 for renovation of Ashby Lofts, 2909-2919 Ninth Street.

This 54-unit complex at 2909–2919 Ninth Street, developed in 2007, serves a mix of low- and very low-income households. The project suffers from severe deterioration of its elevated walkways, which are compromised and at risk of structural failure, along with failing building systems, hazardous conditions in stairwells, and damaged exterior elements.

The funds requested through this RFP would support urgent repairs to preserve habitability and ensure long-term building viability. The project is also seeking low-income housing tax credits and would benefit from City funding to increase competitiveness.

HAC supported staff and HTF Subcommittee recommendation to fund request at \$2,868,571 (with additional \$56,258, pending additional allocation of funds to HTF)

- **Dwight Way (Resources for Community Development)**
RCD requested \$1,669,334 for renovation of Dwight Way Apartments, 1518 Dwight Way.

A 16-unit HUD Section 811 property at 1518 Dwight Way serving people with disabilities, this development faces serious safety risks due to compromised balconies and walkways. Funding would enable essential structural repairs and system upgrades to address accessibility and life-safety issues.

The rehabilitation would be funded 100% with the HTF funds requested through this RFP. There is no other source of funding available because RCD is unable to add new debt to the property due to a prohibition on HUD 811 projects to take on first mortgages.

This project cannot be funded at the current HTF allocation available for this RFP. HAC supported staff and HAC HTF Subcommittee recommendation to fund total request, pending additional allocation of funds to the HTF.

- **University Homes - Housing Consortium of the East Bay (HCEB)/Memar Properties Inc. (MPI)**

HCEB/MPI requested \$750,000 for renovation of University Homes, 1461 University.

This 43-unit permanent supportive housing development for formerly homeless individuals is located at 1461 University Avenue. Previously leased by the City of Berkeley with Abode Services and subsequently HCEB as an emergency shelter provider, HCEB/MPI acquired University Homes utilizing \$8.5M in City of Berkeley funds along with Alameda County and Homekey funding for capital and operating subsidies. The rehabilitation project will create 4 accessible units and will add site amenities including an accessible laundry room, property management office, supportive services offices, and a community room with kitchen.

Funding for rehabilitation will come from previously-funded City construction funds and state Homekey capital funds. The project requires gap funding of \$750,000 to close the construction budget shortfall resulting from increased costs. The City's contribution will enable the project to move forward to completion of a project serving a highly vulnerable population.

This project cannot be funded at the current HTF allocation available for this RFP. HAC supported staff and HAC HTF Subcommittee recommendation to fund total request, pending additional allocation of funds to HTF.

- **William Byron Rumford Plaza – Resources for Community Development (RCD)**

RCD requested \$3,221,221 for the renovation of William Bryon Rumford Plaza located at 3017 Stanton.

This 43-unit residential apartment complex serves a mix of very low, low-income household, as well as market-rate households. The property consists of 27 affordable, restricted units and 16 conventional market rate units and is home to long-time South Berkeley residents. The primary goal of the proposed rehabilitation is to renovate the affordable units, some of which have not been rehabilitated since the project was built in 1991.

In 2017, the property undertook a much-needed recapitalization and rehabilitation with the original intention to address upgrade to interiors of all 43

units and exterior elements. The project was not eligible for tax credits, and financing was limited to a first mortgage from CalHFA, residual receipts loan from California Department of Housing and Community Development, and \$3.3M from the City of Berkeley. With these funds the property was able to stabilize the building envelope, replacing roof, windows, exterior stairs, balconies, siding, irrigation and renovate three ADA units. However, there was insufficient funds for the planned interior renovations.

RCD's proposed rehabilitation of the interior of the unrenovated affordable units (24 of 27 units) would be funded 100% with the HTF funds requested through this RFP. RCD is unable to secure additional funding from other sources since all the project cash flow is dedicated to making the required first mortgage payments to CalHFA.

HAC supported the staff and HAC HTF Subcommittee recommendation to not recommend this project for funding at this time. Although staff understands the need for renovating and bringing units up to code and improving interior conditions, compared with the urgent life safety issues identified in the other proposals, staff was not able to recommend funding for RCD's Rumford Plaza project. RCD is considering alternatives for financing the interior improvements and phasing the rehabilitation of the affordable units.

CHDO Operating Support

Local nonprofit developers were invited to apply for certification as Community Housing Development Organizations (CHDO) through this HTF RFP. A portion of the City's annual HOME allocation is reserved for CHDOs, including both operating and development funds. Because of the CHDO development set-aside, the City only provides HOME funding to projects developed by certified CHDOs.

Federal HOME program regulations define a CHDO as an organization that meets certain criteria for organizational and financial capacity including having a certain board composition and certain policies in place. Staff determined applicants' eligibility for CHDO certification based on submittals that demonstrated compliance with the metrics related to:

- Legal Status
- Organizational Structure
- Organizational Capacity
- Financial Capacity

Three organizations applied for operating support. Two of the three organizations – RCD and SAHA- submitted sufficient documentation and were certified as CHDOs

The Northern California Land Trust (NCLT)

NCLT is a nonprofit community land trust founded in 1973. NCLT has developed 180 units of affordable housing and 7 commercial units for nonprofits and small businesses. NCLT has 8 properties in Berkeley. NCLT did not submit sufficient documentation demonstrating that it meets the financial standards required by HUD, so will not be certified as a CHDO for this five-year cycle.

Resources for Community Development

RCD is an experienced nonprofit developer well known to City staff and the community, with a strong portfolio of over affordable housing in Berkeley. RCD recently completed Maudelle Miller Shirek Community. RCD has been a certified Berkeley CHDO since at least 2005, and submitted sufficient documentation to be recertified and eligible for the FY26-FY30 operating support.

Satellite Affordable Housing

SAHA is an experienced nonprofit developer known to City staff and the community. The Grinnell is the most recent project completed by SAHA. SAHA has also been a certified Berkeley CHDO since at least 2005, and submitted sufficient documentation to be recertified and eligible for the FY26-FY30 operating support.

Staff Recommendation:

Approve multiyear operating funding contracts for Resources for Community Development and Satellite Affordable Housing Associates, starting FY26 and ending FY30, estimated at up to \$30,000 per organization per fiscal year.

The amount of CHDO operating funds will fluctuate, based on each year's HOME allocation to the City. The HOME CHDO operating funds, estimated at up to \$30k per year, will be matched with City general funds. Under HUD regulations, the HOME funding is available to a CHDO that is expected to have a HOME-funded project within the two years. Staff will determine which entity will receive the HOME portion and general fund portion each year.

ENVIRONMENTAL SUSTAINABILITY AND CLIMATE IMPACTS

All renovation projects will incorporate energy-efficient design and upgrades where feasible. New mechanical systems and improvements to building envelopes align with Berkeley's climate action goals.

RATIONALE FOR RECOMMENDATION

The selected projects serve vulnerable populations and the City funding would help housing providers address critical life safety and deferred maintenance issues. Timely reservation of funds ensures compliance with federal requirements and preserves the City's affordable housing stock.

ALTERNATIVE ACTIONS CONSIDERED

The City could reduce or delay funding reservations. However, doing so would risk losing HOME funds, delay urgent health and safety repairs, and jeopardize the long-term sustainability of key properties. The HAC and HTF Subcommittee also supported the original staff recommendation for Council to consider allocating additional funds to the HTF from any available sources including Measure U1 to support. However, due to the City's budget deficit and updated Measure U1 outlook, this recommendation is withdrawn since the funds are not available.

CONTACT PERSON

Lourdes Chang, Senior Community Development Project Coordinator, HHCS, 510-981-5263

Attachments:

1: Resolution

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

APPROVAL OF THE 2024 HOUSING TRUST FUND REQUEST FOR PROPOSALS
RESERVATIONS

WHEREAS, the City Council established a Housing Trust Fund (HTF) program to assist in the development and expansion of housing affordable to low- and moderate-income persons who either work or reside within the City of Berkeley, and authorized the City Manager to implement the HTF program; and

WHEREAS, there is a great need for affordable and special needs housing in the City of Berkeley as stated in the General Plan Housing Element and the City of Berkeley's Consolidated Plan; and

WHEREAS, City Council adopted HTF guidelines (the "Guidelines") as revised on January 19, 2021, and authorized the HTF Program in accordance with the Guidelines; and

WHEREAS, the City issued the 2024 Housing Trust Fund Request for Proposals (RFP) in November 2024 to allocate available local and federal funds to rehabilitation and operating subsidy projects; and

WHEREAS, on May 1, 2025, the Housing Advisory Commission (HAC) recommended that City Council reserve HTF funds for two rehabilitation projects and consider additional allocations to the HTF to support other urgent requests identified through this RFP; and

WHEREAS, the HAC also recommended approving multiyear operating support contracts for Satellite Affordable Housing Associates and Resources for Community Development as certified Community Housing Development Organizations (CHDOs) to support their work on City-funded developments.

NOW THEREFORE, BE IT RESOLVED by the Council of the City of Berkeley that the Council approves the following funding reservations from currently available Housing Trust Funds:

- Resources for Community Development's Adeline Street Apartments (3222-24 Adeline) – \$2,990,000
- Satellite Affordable Housing Associates' Ashby Lofts (2909-2919 Ninth) – \$2,868,571

BE IT FURTHER RESOLVED that the City Manager or designee be authorized to refinance existing HTF development loans into new loans with terms consistent with the HTF Guidelines.

BE IT FURTHER RESOLVED that the City Council waives Section IV.C.1 of the Housing Trust Fund Guidelines to allow for City funding in excess of 40% of total project costs for projects funded through this RFP.

BE IT FURTHER RESOLVED that as a condition of this funding, housing providers are required to provide information to tenants on City rental assistance programs with any nonpayment eviction notices issued at these properties.

BE IT FURTHER RESOLVED that the Council approves multiyear operating support contracts from FY26 to FY30, estimated at up to \$30,000 annually per certified CHDO, for:

- Resources for Community Development
- Satellite Affordable Housing Associates

BE IT FURTHER RESOLVED that the City Manager or designee is authorized to determine the annual CHDO operating award amounts for each organization based on available HOME funds and General Fund match as approved by City Council in each fiscal year's budget.

BE IT FURTHER RESOLVED the City Manager, or designee, is hereby authorized to execute all original or amended documents or agreements to effectuate this action; a signed copy of said documents, agreements and any amendments will be kept on file in the Office of City Clerk.

BE IT FURTHER RESOLVED that all rehabilitation loan funds shall be reserved for a period of no more than 24 months from the date of this Resolution, contingent on the developers' obtaining all required building permits and approvals and securing commitments for full project funding that the City Manager or designee deems sufficient within the reservation period.

BE IT FURTHER RESOLVED that all funding reservations are conditioned upon the completion of the environmental review process, except as authorized by 24 CFR, Part 58, and that should HOME and/or CDBG funds constitute a portion of the funding for any project, a final commitment of HOME and/or CDBG funds shall occur only upon the satisfactory completion of the appropriate level of environmental review and also upon the receipt of approval of the request for release of funds and related certification from the U.S. Department of Housing and Urban Development, when applicable. The funding reservation for any of the HOME and/or CDBG funded projects is conditioned upon the City of Berkeley's determination to proceed with, modify, or cancel the project based on the results of subsequent environmental review under the National Environmental Policy Act.

BE IT FURTHER RESOLVED that the making of each loan shall be contingent on and subject to such other appropriate terms and conditions as the City Manager or designee may establish.



Office of the City Manager

CONSENT CALENDAR
June 24, 2025

To: Honorable Mayor and Members of the City Council
From: Paul Buddenhagen, City Manager
Submitted by: Scott Gilman, Director, Health, Housing, and Community Services
Subject: Fiscal Year 2025 - Donations for the Berkeley Meals on Wheels Program

RECOMMENDATION

Adopt a Resolution authorizing the City to accept donations totaling \$8,000 for the Berkeley Meals on Wheels program for fiscal year 2025.

FISCAL IMPACTS OF RECOMMENDATION

The donations have been received and deposited into the Fund-Raising Activities Fund (ERMA GL Code 111-51-505-549-2044-000-000-481110) and will be appropriated as part of the Annual Appropriations Ordinance for the Meals on Wheels program in the Aging Services Division of Health, Housing, and Community Services Department. These donations will support the cost of hourly personnel and operating expenses needed to provide meals to home-bound seniors by the City of Berkeley Meals on Wheels program.

CURRENT SITUATION AND ITS EFFECTS

The Berkeley Meals on Wheels program provides excellent, timely, easily accessible service to the community; particularly the older adult, home-bound community. The Berkeley Meals on Wheels program provides over 60,000 nutritious meals to over 250 seniors each year.

In November 2024, the Meals on Wheels program sent out an annual appeal letter to approximately 600 individuals and businesses. In response to the annual appeal letter, seven donations were received in amounts of \$1,000 or above for a total of \$8,000. The individual donors have requested that their donations remain anonymous and include current and former Meals on Wheels clients and family members of clients and staff. Meals on Wheels of Alameda County and Decus Biomedical both made donations of \$1,000 each.

BACKGROUND

The City of Berkeley Meals on Wheels program is funded by an annual grant contract with the Alameda County Area Agency on Aging, as well as by client and community donations and the City's General Fund.

ENVIRONMENTAL SUSTAINABILITY AND CLIMATE IMPACTS

The Berkeley Meals on Wheels program packages its meals in compostable containers to reduce landfill waste. The program also offers volunteer bicycle and pedestrian delivery routes.

RATIONALE FOR RECOMMENDATION

Donations will provide the Berkeley Meals on Wheels program with significant financial support that can be directly applied to both personnel and operating expenses for the program.

ALTERNATIVE ACTIONS CONSIDERED

Refusing donations would not be consistent with the City's efforts to sustain an Age-Friendly Berkeley and is not recommended.

CONTACT PERSON

Oanh Guise, Interim Aging Services Manager, HHCS, (510) 981-5113

Attachments:

1: Resolution

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

FISCAL YEAR 2025 - \$1,000 AND ABOVE DONATIONS FOR THE BERKELEY
MEALS ON WHEELS PROGRAM

WHEREAS, the Berkeley Meals on Wheels program sends out an annual appeal letter in November; and

WHEREAS, clients, residents and businesses make donations to support the Meals on Wheels program; and

WHEREAS, Berkeley Meals on Wheels provides over 60,000 nutritious meals to over 250 home-bound seniors each year; and

WHEREAS, these donations will assist in covering personnel costs or providing meals to home-bound seniors; and

WHEREAS, the donations will be deposited into the Fund-Raising Activities Fund (ERMA Budget Code 111-51-505-549-2044-000-444-612990-) and will be appropriated as part of the First Amendment to the FY 2025 Annual Appropriations Ordinance.

NOW THEREFORE, BE IT RESOLVED by the Council of the City of Berkeley that seven donations, totaling \$8,000 be deposited to support the personnel and operational costs of meal provision to home-bound seniors by the City of Berkeley Meals on Wheels program.



Office of the City Manager

CONSENT CALENDAR
June 24, 2025

To: Honorable Mayor and Members of the City Council
 From: Paul Buddenhagen, City Manager
 Submitted by: Scott Gilman, Director, Health, Housing & Community Services
 Subject: Shelter Plus Care Program Renewal Grants

RECOMMENDATION

Adopt a Resolution authorizing the City Manager or designee to receive up to the maximum grant award for the following two Shelter Plus Care grants and to execute any resultant agreements and amendments.

- a. Alameda County Shelter Plus Care grant in a not-to-exceed amount of \$1,022,704 to provide tenant-based rental assistance to individuals who are chronically homeless and disabled from March 1, 2025, through February 28, 2026; and
- b. U.S. Department of Housing and Urban Development (HUD) Shelter Plus Care grant in the amount of \$7,305,893 for Supportive Housing Collaborative Project (SHC) for the period September 1, 2025, through August 31, 2026.

FISCAL IMPACTS OF RECOMMENDATION

The Department of Health, Housing, and Community Services' Housing and Community Services Division (HHCS/HCS) has administered Shelter Plus Care grants for many years as part of the City's strategy to end homelessness. The grant via Alameda County provides funding for rental subsidies, and the grant from HUD provides funding for rental subsidies and some supportive services provided by Berkeley's Aging Services Division. Grant revenues are deposited and expensed out of Funds 347 (Shelter+Care HUD), and 348 (Shelter+Care County), respectively. In the past, the HUD grant fully covered Aging Services staffing costs to serve 53 households. Due to increased staffing costs, the grant may only cover 74% of the staffing costs to serve these households. HHCS Staff is requesting a budget modification from HUD to increase funding for supportive services and help close the gap for this and future years. For FY26, HHCS has identified alternate one-time sources from other special funds with frozen positions.

HUD allows up to 10% of each grant to be used to administer the rental subsidies, which supports HHCS/HCS's grant-related administrative activities.

The Shelter Plus Care program also requires a 25% match, which is met through a range of services provided by Berkeley Mental Health, Aging Services Division, and five

community-based agencies that provide tenancy sustaining services. Because match sources are somewhat in flux and impacted by vacant positions, staff are tracking the match requirements closely and looking for new resources to ensure we fully leverage all federal funds.

CURRENT SITUATION AND ITS EFFECTS

Following a national competition, HUD and Alameda County awarded funding to the City of Berkeley to renew two Shelter Plus Care grants, which provide rental assistance to a minimum of 267 households annually. The City's Shelter Plus Care Program provides federal rental subsidies that are matched by locally provided services to help transition formerly homeless, disabled individuals and families into permanent, supportive housing. These grants currently provide tenant-based rental subsidies for approximately 290 households to rent from private property owners in Berkeley, Albany, Alameda, Oakland, and Emeryville.

Each participant in the program is offered Tenancy Sustaining Services with the goal of housing stability. These services include case management and linkages to supportive services that may be needed. Many of these services are provided by Berkeley Mental Health and Aging Services. Additionally, the City funds five community agencies Bay Area Community Services (BACS); Insight Housing; Building Opportunities for Self-Sufficiency (BOSS); Lifelong Medical Care (LLMC); and the Women's Daytime Drop-In Center (WDDC).

BACKGROUND

Since 1995, the City of Berkeley Shelter Plus Care Program has been an important component of the continuum of housing available to disabled homeless families and individuals. The Shelter Plus Care Program is funded by HUD and the County of Alameda to provide housing subsidies for people who are homeless with a disability. The program combines a rental subsidy with ongoing supportive services to assist chronically homeless individuals and families in obtaining and maintaining housing.

ENVIRONMENTAL SUSTAINABILITY AND CLIMATE IMPACTS

There are no identifiable environmental impacts or opportunities associated with the subject of this report.

RATIONALE FOR RECOMMENDATION

Acceptance of the two Shelter Plus Care renewal grants will assure that approximately 290 homeless and disabled individuals and families in Berkeley continue to benefit from receiving ongoing rental assistance and the supportive services necessary to retain stable housing.

ALTERNATIVE ACTIONS CONSIDERED

No alternative actions were identified in place of this funding that would be consistent with the City's goal of housing the most vulnerable members of the community.

CONTACT PERSON

Yesenia Lopez, Interim Community Services Specialist III, HHCS, 510-981-5120

Attachments:

1: Resolution

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

SHELTER PLUS CARE PROGRAM RENEWAL GRANTS

WHEREAS, the U.S. Department of Housing and Urban Development and the County of Alameda have awarded the City of Berkeley Health, Housing & Community Services Department the following two Shelter Plus Care grants:

1. \$1,022,704 for County of Alameda Collaborative (AC Collaborative) for the period March 1, 2025 through February 28, 2026; and
2. \$7,305,893 for Supportive Housing Collaborative Project (SHC) for the period September 1st, 2025 through August 31st, 2026; and

WHEREAS, the combined total for the two grants is an estimated \$8,328,597 to provide direct rental assistance and supportive services to 53 households; and

WHEREAS, approximately 10% of the SHC grant is available to support the Health, Housing, and Community Services Department's grant-related administrative activities (For the HUD grants budget, Fund 347 (Shelter+Care)); and

WHEREAS, these Shelter Plus Care grants are an annual renewal of an existing program that provides rental subsidies and ongoing support services to approximately 290 homeless and disabled individuals and families in Berkeley; and

WHEREAS, the rent subsidies provided through the City's Shelter Plus Care Program are partially matched by services provided by the City's Mental Health Division and Aging Services Division and five community-based agencies that assist formerly homeless, disabled individuals and families in retaining stable housing.

NOW THEREFORE, BE IT RESOLVED by the Council of the City of Berkeley that the City Manager or designee is hereby authorized to receive funds up to the maximum grant award, and execute any agreements and amendments resulting from the grants awarded from the U.S. Department of Housing and Urban Development and the County of Alameda for the City's Shelter Plus Care Program estimated to be as follows: 1) \$1,022,704 for County of Alameda Collaborative (AC Collaborative) for the period March 1, 2025 through February 28, 2026; and 2) \$7,305,893 for Supportive Housing Collaborative Project (SHC) for the period September 1, 2025 through August 31, 2026.

A signed copy of said documents, agreements and any amendments will be kept on file in the Office of the City Clerk.



Office of the City Manager

CONSENT CALENDAR
JUNE 24, 2025

To: Honorable Mayor and Members of the City Council
 From: Paul Buddenhagen, City Manager
 Submitted by: Janelle Rodrigues, Director of Human Resources
 Chaka Young, Employee Relations Manager
 Subject: Contract: HR Acuity, LLC for Case Management and Employee Relations Software

RECOMMENDATION

Adopt a Resolution authorizing the City Manager to execute an amendment to Contract No. 32100046 with HR Acuity, LLC for case management and employee relations software, for a total amount not to exceed \$189,000 and extending the contract term to June 30, 2028.

FISCAL IMPACTS OF RECOMMENDATION

The contract amendment with HR Acuity, LLC is amended through the end of fiscal year 2028.

Funding for the amendment and additional years will be included in the General Fund budget code 011-34-343-000-0000-000-412-612990.

Fiscal Year	Annual Rate
Contract Amount (FY 2022-2025)	\$ 189,000
FY 2025 – 2026	\$ 62,900
FY 2026 – 2027	\$ 62,900
FY 2027 – 2028	\$ 62,900
Total New Contract Amount	\$ 189,000

CURRENT SITUATION AND ITS EFFECTS

The City of Berkeley is a full-service city and is responsible for properly recording and maintaining case management records pertaining to employee leaves, ADA accommodations, disciplinary actions, and union grievances to ensure consistent application and compliance with applicable laws, regulations, and collective bargaining agreements.

On October 1, 2020, the City entered into Contract No. 32100046 with HR Acuity, LLC to procure its Human Resource (HR) case management software to centralize and better manage its case records. The original contract was not to exceed \$50,000. Since the inception of the HR Acuity software, the HR Department has realized the benefits of the system, and its use has been extended to the City Attorney's Office, as well as the Library.

The HR Department would like to continue the use of the HR Acuity software; therefore, a contract amendment is necessary to continue this contract through FY2027-2028 with additional funding.

BACKGROUND

HR Acuity, LLC is a comprehensive HR case management and employee relations software which is utilized by the Human Resources Department, the City Attorney’s Office, and the Library to properly track, manage, and maintain records regarding leaves, discipline, grievances, equal employment opportunity (EEO) complaints, and ADA accommodation matters for consistency in case management and compliance with laws/regulations.

HR Acuity’s software as a service (SaaS) technology with built-in templates and reporting mechanism allows employers to conduct fair investigations according to best practices, as well as uncover trends and patterns through forward-looking data and analytics. HR Acuity helps document, track, and manage requests for leaves and accommodations, employee performance and behavioral issues, and investigations into higher risk issues, such as harassment and discrimination.

ENVIRONMENTAL SUSTAINABILITY AND CLIMATE IMPACTS

There are no identifiable environmental effects, climate impacts, or sustainability opportunities associated with the subject of this report.

RATIONALE FOR RECOMMENDATION

HR Acuity, LLC has provided a robust platform through which various units within the Human Resources Department can document, track, and manage employee relations (e.g., discipline matters), labor relations (e.g. grievances), EEO investigations, and leave requests. The software is utilized by users outside of the HR Department as well, including the City Attorney’s Office and the Library.

ALTERNATIVE ACTIONS CONSIDERED

None

CONTACT PERSON

Janelle Rodrigues, Director of Human Resources (510-981-6818)
Chaka Young, Employee Relations Manager (510-981-6821)

Attachment:
1: Resolution

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

CONTRACT: HR ACUITY, LLC FOR CASE MANAGEMENT AND EMPLOYEE RELATIONS SOFTWARE

WHEREAS, the HR Acuity case management software allows staff the use of modernized and evolving technology to document employee performance and behavioral issues, and conduct investigations into higher-risk issues, such as harassment and discrimination, and maintain proper records of leaves and accommodations;

WHEREAS, on October 1, 2020, the City entered into Contact No. 32100046 with HR Acuity, LLC to procure its HR case management software to centralize and better manage its case records;

WHEREAS, amending the existing contract with HR Acuity, LLC to continue the use of its HR case management software is essential for the Human Department;

WHEREAS, funds are available and will be budgeted in future fiscal years in an amount not to exceed \$189,000 through June 30, 2028, in budget code 011-34-343-000-0000-000-412-613130.

NOW THEREFORE, BE IT RESOLVED by the Council of the City of Berkeley that the City Manager is authorized to amend Contract No. 32100046 with HR Acuity, LLC for use of their HR case management software, for a total amount not to exceed \$189,000 and extending the contract term through June 30, 2028. A record of signature copy of said contract and any amendments are to be on file in the Office of the City Clerk.



Office of the City Manager

CONSENT CALENDAR
JUNE 24, 2025

To: Honorable Mayor and Members of the City Council

From: Paul Buddenhagen, City Manager

Submitted by: Janelle Rodrigues, Director of Human Resources
Chaka Young, Employee Relations Manager

Subject: Contract: Innovative Claim Solutions for Third Party Claims Administration of City's Workers' Compensation Program

RECOMMENDATION

Adopt a Resolution authorizing the City Manager to execute and implement a contract and any amendments with Innovative Claim Solutions, Inc. (ICS), to provide workers' compensation third-party administrative services in an amount not to exceed \$1,888,570 for the period July 1, 2025, through June 30, 2028.

FISCAL IMPACTS OF RECOMMENDATION

The costs for third-party administrative services provided by ICS are a fixed fee of \$605,000 for fiscal year 2026; \$629,200 for fiscal year 2027; and \$654,370 for fiscal year 2028.

Fiscal Year	Monthly Charge	Annual Charge
2026	\$50,416.66	\$605,000
2027	\$52,433.33	\$629,200
2028	\$54,530.83	\$654,370

Expenditures for this contract will be paid out of the Workers' Compensation Self-Insurance Fund, budget code 676-00-000-000-0000-000-000-102127, and funded as part of the overhead rate assessed for workers' compensation rates charged to City departments.

CURRENT SITUATION AND ITS EFFECTS

The City of Berkeley is permissibly self-insured by the State of California, Department of Industrial Relations, to provide statutory required workers' compensation benefits to injured workers. The City has contracted with ICS for workers' compensation administrative services since April 1, 2000. The current contract with ICS for workers' compensation third-party administrative services expires on June 30, 2025. The new contract with ICS would be effective July 1, 2025, for a total amount not to exceed \$1,888,570.

BACKGROUND

On February 4, 2010, the Human Resources Department issued a Request for Proposal (RFP) for workers' compensation third-party administrative services, Specification No. 10-10486-C to firms that provide these types of services.

On May 18, 2010, the City Council adopted Resolution No. 64,875–N.S., that authorized the City Manager to execute and implement a contract and any amendments for workers’ compensation third-party administrative services with ICS.

The City has contracted with ICS for workers’ compensation administrative services since April 1, 2000. The current contract with ICS for workers’ compensation third-party administrative services expires on June 30, 2025.

On July 22, 2024, the Human Resources Department issued a Request for Proposal (RFP) Specification No.24-11669-C, for workers’ compensation third-party administrative services to firms that provide workers’ compensation claims services. The City received nine (9) responses from prospective bidders to the RFP. A selection committee made up of members from the Human Resources Department conducted an evaluation and chose Innovative Claim Solutions (ICS) as the best services to meet the City’s objectives at a reasonable price.

Innovative Claim Solutions has been providing claims management services for over 20 years. The third-party claim management services for a workers’ compensation program consist of responsibility for claims management including, but not limited to, approval of claims based upon whether an injury arose out of the course and scope of employment; denial of claims that did not arise out of the course and scope of employment; or delay of claim decisions in order to obtain additional information or evidence before a determination can be on a claim. The third-party administrator procures services and pays bills incurred by claims for the provision of benefits to injured employees. These expenses include, but are not limited to, medical; legal; temporary and permanent disability payments; and future medical needs of injured employees.

ENVIRONMENTAL SUSTAINABILITY AND CLIMATE IMPACTS

There are no identifiable environmental effects, climate impacts, or sustainability opportunities associated with the subject of this report.

RATIONALE FOR RECOMMENDATION

A committee evaluated all vendors based on their responsiveness to the RFP, the price and associated costs to the City, ability to meet requirements stated in the scope of services, and references. As a result of this process, the selection committee unanimously recommended ICS to provide workers’ compensation third-party administrative services. Innovative Claim Solutions has provided superior quality claim management services throughout the terms of the contract and consistently applies professionalism, expertise, and superior customer service in their claim management practices.

ALTERNATIVE ACTIONS CONSIDERED

None

CONTACT PERSON

Janelle Rodrigues, Director of Human Resources (510-981-6818)
Chaka Young, Employee Relations Manager (510-981-6821)

Attachment:
1: Resolution

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

CONTRACT: INNOVATIVE CLAIM SOLUTIONS FOR THIRD-PARTY CLAIMS ADMINISTRATION OF
THE CITY'S WORKERS' COMPENSATION PROGRAM

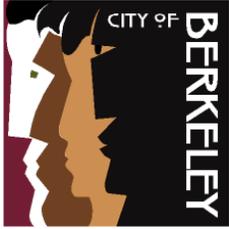
WHEREAS, the City of Berkeley is certified by the State of California Department of Industrial Relations under Labor Code Sections 3700 and 3705 to self-insure for providing statutorily required workers' compensation benefits to its employees; and

WHEREAS, on September 13, 2022, the Berkeley City Council adopted Resolution No. 70,507-N.S., that authorized the City Manager to amend the contract with ICS for third-party administrative services for the City's workers' compensation program by extending the term through June 30, 2025.

WHEREAS, on July 22, 2024, the City issued a Request for Proposal (RFP) for workers' compensation third-party administrative services, of which nine (9) firms submitted proposals; and

WHEREAS, based on an evaluation of the proposals submitted and discussion among the committee and based on all of the selection criteria used to evaluate the proposals and the performance of the proposers through an interview process, it is recommended that the firm of Innovative Claim Solutions, Inc. be selected to continue provision of third-party administrative services for the workers' compensation program.

NOW THEREFORE, BE IT RESOLVED that the Council of the City of Berkeley hereby authorizes the City Manager to execute a contract and any amendments with Innovative Claim Solutions, Inc. for third-party administrative services for the City's workers' compensation program for the period of July 1, 2025, to June 30, 2028 in an amount not to exceed \$1,888,570. All expenses will be paid from the Workers' Compensation Self-Insurance Fund budget code, (676-00-000-000-0000-000-000-102127). A record signature copy of said contract and any amendments are to be on file in the Office of the City Clerk.



Office of the City Manager

CONSENT CALENDAR
June 24, 2025

To: Honorable Mayor and Members of the City Council

From: Paul Buddenhagen, City Manager

Submitted by: Janelle Rodrigues, Director of Human Resources
Chaka Young, Employee Relations Manager

Subject: Contract: Downtown Berkeley YMCA Fitness Center Memberships for City Employees

RECOMMENDATION

Adopt a Resolution authorizing the City Manager to execute a contract and any amendments with the Downtown Berkeley YMCA in the amount of \$179,136 for fitness center memberships for City employees for the period July 1, 2025, through June 30, 2026.

FISCAL IMPACTS OF RECOMMENDATION

The previous contract for fiscal year 2025 was \$161,280, which represents 280 members at \$48 per member. For fiscal year 2026, the number of memberships has increased from 280 members to 311 members. The cost of the fiscal year 2026 contract is budgeted at \$179,136, which represents the City’s monthly cost of membership (\$48) for 311 members for 12 months. The fiscal year 2026 contract represents an increase of \$17,856 from the fiscal year 2025 contract. Although the contract cost of \$179,136 for fiscal year 2026 is based on 311 memberships, this amount is a flat fee for the duration of the fiscal year regardless of whether memberships increase or decrease during the fiscal year. The fiscal year 2026 budget includes funding for this contract in fringe benefit accounts in department budgets that is collected and paid out from the Payroll Deduction Trust Fund (Fund 013). The General Fund will cover approximately \$102,107.52 of the contract cost and the remaining \$77,028.48 will be covered by other funds.

CURRENT SITUATION AND ITS EFFECTS

The current agreement began on July 1, 2024, and ends on June 30, 2025. A new contract is needed for fiscal year 2026, which will continue the memberships for City employees and Legislative Assistants at a low cost.

Contract: Downtown Berkeley YMCA for Fitness Center
Memberships for City Employees

CONSENT CALENDAR
June 24, 2025

BACKGROUND

Since 1989, the City has had an agreement with the YMCA to provide low-cost fitness memberships for City employees and officials.

The City's labor contracts require the City to pay 75% of the total membership cost and employees pay the remaining 25%. Beginning on July 1, 2024, the full membership cost was \$64 per month (the City's share at \$48 per month and the employee's share at \$16 per month). For fiscal year 2026, the membership cost will remain \$64 per month.

This benefit is included in all the collective bargaining agreements and would terminate at the same time as the longest union contract containing the benefit. The City would need to undergo the meet and confer process with the represented employee groups if it wishes to eliminate this benefit.

The Downtown Berkeley YMCA contract is a Strategic Plan Priority, advancing our goal to attract and retain a talented and diverse City government workforce.

ENVIRONMENTAL SUSTAINABILITY AND CLIMATE IMPACTS

There are no identifiable environmental impacts or opportunities associated with the subject of this report.

RATIONALE FOR RECOMMENDATION

The City has had an agreement with the YMCA and represented employee groups to provide low-cost fitness memberships for City employees and officials. City contracts for personal services over \$50,000 require authorization from the City Council before the City Manager can execute the contract.

ALTERNATIVE ACTIONS CONSIDERED

None

CONTACT PERSON

Janelle Rodrigues, Human Resources Director
Chaka Young, Employee Relations Manager

Attachments:

1: Resolution

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

CONTRACT: DOWNTOWN BERKELEY YMCA FOR LOW-COST FITNESS CENTER
MEMBERSHIPS FOR CITY EMPLOYEES

WHEREAS, the City has had an agreement with the Downtown Berkeley YMCA to provide low-cost fitness memberships for City employees and legislative assistants; and

WHEREAS, the City's labor contracts require the City to pay 75 percent of the total membership cost; and

WHEREAS, the current agreement began on July 1, 2024, and ends on June 30, 2025, and a new contract is proposed for fiscal year 2026; and

WHEREAS, the fiscal year 2026 budget includes funding for this contract in fringe benefit accounts in department budgets that is collected and paid out from the Payroll Deduction Trust Fund (Fund 013).

NOW THEREFORE, BE IT RESOLVED by the Council of the City of Berkeley that that the City Manager is authorized to execute a contract and any amendments with the Downtown Berkeley YMCA for low-cost fitness center memberships for City of Berkeley employees and legislative assistants for the period July 1, 2025, to June 30, 2026, in the amount not to exceed \$179,136. A record signature copy of said contract and any amendments to be on file in the Office of the City Clerk.



Office of the City Manager

CONSENT CALENDAR
June 24, 2025

To: Honorable Mayor and Members of the City Council
From: Paul Buddenhagen, City Manager
Submitted by: Kevin Fong, Director, Information Technology
Subject: Contract No. 32500005 Amendment: Accela, Inc. for Environmental Health Software

RECOMMENDATION

Adopt a Resolution authorizing the City Manager to execute an amendment to Contract No. 32500005 with Accela, Inc. (“Accela”) to increase spending authority by \$90,200 for Environmental Health (“EH”) software for a total amount not to exceed \$1,414,393 for the period of July 1, 2024 to June 30, 2027.

FISCAL IMPACTS OF RECOMMENDATION

Additional funding in the amount of \$90,200 is available in the Fiscal Year 2026 and 2027 Alameda County Vector Grant fund. Spending for software in future years is subject to Council approval of the proposed city-wide budget and annual appropriations ordinances.

Fiscal Year	Amount	Fund Source
FY 2026	\$44,000	Alameda County Vector Grant, Fund 325
FY 2027	\$46,200	Alameda County Vector Grant, Fund 325

CURRENT SITUATION AND ITS EFFECTS

The EH division of the Health, Housing and Community Services (“HHCS”) department currently uses Accela’s Envision Connect product to manage its permitting, inspection and billing functions. The current version of this product is antiquated, and this product is scheduled for “End-of-Life” by Accela effective December 31, 2025 and will no longer be supported.

EH, in collaboration with Information Technology (“IT”), met with Accela to evaluate their upgraded cloud-based platform. The team found that Accela’s cloud-based system offers a significantly enhanced and automated user experience that streamlines business operations.

With this upgraded platform, customers will be able to apply for licenses, submit payments, and access reports entirely online. City staff will also gain mobile functionality,

enabling them to perform inspections in the field using tablets. Inspection results and any required corrections can be entered in real time, allowing for faster turnaround. In addition, the system will automate internal workflows and improve reporting capabilities, providing greater visibility into day-to-day operations. Overall, this solution marks a substantial improvement over the legacy Envision Connect system, offering increased efficiency, transparency, and service quality for both staff and the public.

As the City already contracts with Accela for permitting and business licensing, the City is able to attain attractive pricing and add the cloud-based EH system to the suite of applications it already owns.

This upgrade aligns with the City's strategic goals to "be a customer-focused organization that provides excellent, timely, easily-accessible service and information to the community" as well as to "provide state-of-the-art, well-maintained infrastructure, amenities, and facilities".

BACKGROUND

In 2008, with Council approval, HHCS acquired the Decade Envision Connect system to support EH operations. Over the years, the system has been actively used by staff and received multiple upgrades and enhancements. It effectively met the department's needs for an extended period.

In 2019, Accela acquired the Decade Envision Connect system and continued to provide support. However, over the past couple of years, the platform has been slowly phased out as part of Accela's shift to focus towards a modern, cloud-based solution.

Partially due to the antiquity of the legacy Envision Connect system, the EH division has struggled over the past few years to perform timely inspections, accurate reporting, and accurate updates into the system. This culminated in a City Auditor report in July of 2024 that produced nine recommendations, one of which includes a new "database" platform that will be able to perform inspections, produce accurate reports, and provide easily accessible health certificate data online.

In July of 2024, the City executed a new contract with Accela for their new cloud-based system for *permitting and business licenses* for a period of three years.

In the fall of 2024, Accela announced that it will "End-of-Life" its legacy Envision Connect product and no longer provide support as of December 31, 2025.

ENVIRONMENTAL SUSTAINABILITY AND CLIMATE IMPACTS

The ability to apply for, purchase, and receive permits to operate online—without needing to travel to downtown Berkeley—will help reduce greenhouse gas emissions. Additionally, using tablets in the field will allow staff to enter real-time updates directly into the system, eliminating the need for paper forms and return trips to the office for data entry.

RATIONALE FOR RECOMMENDATION

Accela is a leader in the licensing and permitting market and the City has successfully used the Accela platform for permitting and licensing for years. EH staff require a new, modern system to manage permitting, inspection and billing functions. The current legacy version of the product is antiquated, and is scheduled for “End-of-Life” by Accela effective December 31, 2025 and will no longer be supported. City IT staff have extensive experience with the Accela platform suite and will be able to properly support EH staff with this upgrade.

ALTERNATIVE ACTIONS CONSIDERED

The City considered other alternative software platforms, however, given that the City already uses Accela and is familiar with the software platform suite combined with the fact that Accela is a top provider and used throughout California, staff felt it was in the best interest to move forward with the Accela cloud platform with a simple expansion of the system.

CONTACT PERSON

Kevin Fong, Director, Information Technology, 510-981-6541

Attachments:

1: Resolution

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

CONTRACT NO. 32500005 AMENDMENT: ACCELA, INC. FOR ENVIRONMENTAL
HEALTH SOFTWARE

WHEREAS, the Environmental Health (“EH”) division of the Health, Housing and Community Services (“HHCS”) department currently uses Accela’s Envision Connect product to manage its permitting, inspection and billing functions; and

WHEREAS, the current version of this product is antiquated, and scheduled for “End-of-Life” with no future support effective December 31, 2025; and

WHEREAS, the City already contracts with Accela for permitting and business licensing and is able to attain favorable pricing and add the modern cloud-based EH system to the suite of applications it already owns; and

WHEREAS, Accela’s upgraded, cloud-based EH system offers a significantly enhanced and automated user experience for EH that streamlines business operations; and

WHEREAS, funding for this software is available in the HHCS Alameda County Vector Grant fund in the amount of \$40,000 for FY 2026 and \$46,200 for FY 2027.

NOW THEREFORE, BE IT RESOLVED by the Council of the City of Berkeley that the City Manager is authorized to execute an amendment to Contract No. 32500005 with Accela, Inc. to increase spending authority by \$90,200 for Environmental Health software for a total amount not to exceed \$1,414,393 for the period of July 1, 2024 to June 30, 2027



Office of the City Manager

CONSENT CALENDAR
June 24, 2025

To: Honorable Mayor and Members of the City Council
From: Paul Buddenhagen, City Manager
Submitted by: Kevin Fong, Director, Information Technology
Subject: Contract No. 31900174 Amendment: Carahsoft Technology Corporation Using General Services Administration (“GSA”) Schedule for Website Hosting, Software, and Related Services

RECOMMENDATION

Adopt a Resolution authorizing the City Manager to execute an amendment to Contract No. 31900174 to increase spending authority with Carahsoft Technology Corporation (“Carahsoft”) for website hosting services, core infrastructure software, and related services utilizing pricing established by the GSA, for \$700,000 for a total not to exceed amount of \$2,378,953 for the period May 15, 2019 to June 30, 2027.

FISCAL IMPACTS OF RECOMMENDATION

Additional funding in the amount of \$700,000 is available in the Information Technology (“IT”) department’s Fiscal Year 2026 and 2027 IT Cost Allocation Fund 680. Spending for software and services in future years is subject to Council approval of the proposed city-wide budget and annual appropriations ordinances.

Fiscal Year	Amount	Fund Source
FY 2026	\$350,000	IT Cost Allocation, Fund 680
FY 2027	\$350,000	IT Cost Allocation, Fund 680

CURRENT SITUATION AND ITS EFFECTS

The City currently utilizes Carahsoft as a value-added reseller for website data center hosting, software licensing, and technical support for several critical enterprise applications. These include essential platforms such as website hosting, ServiceNow, Zoom, and DocuSign, which play a vital role in the City’s daily operations.

The website hosting services provided through Carahsoft offer high availability and geo-redundancy, ensuring that online services remain reliable and accessible. Enterprise applications procured through Carahsoft significantly enhance staff productivity and help streamline key business processes across departments.

To continue supporting these core services, the City is seeking additional spending authority to extend its contract with Carahsoft. Carahsoft is a GSA partner, offering competitively-bid pricing through cooperative purchasing agreements, allowing the City to obtain enterprise-level solutions at discounted rates for local government.

This request aligns with the City's Strategic Plan Priority to deliver state-of-the-art, well-maintained infrastructure, amenities, and facilities.

BACKGROUND

In 2019, through Resolution No. 68,868-N.S., IT partnered with Carahsoft to procure data center hardware and software technologies. Since that time, the City has continued to work with Carahsoft to support a range of critical systems that are essential to daily operations.

Carahsoft provides key technology services and applications that include public website hosting, which serves as a primary platform for communicating with and serving the community. In addition, Carahsoft supplies tools for monitoring the City's network infrastructure, the ServiceNow platform for IT ticketing and change management, and Zoom for virtual communications—including public City Council meetings. These systems are foundational to the City's ability to operate efficiently and effectively, both internally and in its interactions with the public.

By utilizing GSA pricing schedules, the City can take advantage of pre-negotiated prices, economies of scale, and increased efficiencies.

ENVIRONMENTAL SUSTAINABILITY AND CLIMATE IMPACTS

The services and technologies procured through Carahsoft help streamline business processes, minimize paper usage, and enable more efficient data exchange with the public. For instance, website hosting provides easy online access to resources and redirects users to online payment options, reducing vehicle traffic into downtown Berkeley. Additionally, tools like Zoom support remote meetings, eliminating the need for in-person travel and contributing to lower carbon emissions.

RATIONALE FOR RECOMMENDATION

Carahsoft is a reliable partner that has successfully worked with the City for six years. Leveraging the GSA purchasing channel through Carahsoft ensures the City receives the best pricing possible.

ALTERNATIVE ACTIONS CONSIDERED

There were no alternative actions considered as the City requires these critical services and applications to effectively communicate with the community and perform daily business.

Internal

Carahsoft Technology Corporation using GSA
for Website Hosting, software, and services

CONSENT CALENDAR
June 24, 2025

CONTACT PERSON

Kevin Fong, Director, Information Technology, (510) 981-6541

Attachments:

1: Resolution

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

CONTRACT AMENDMENT: CARAHSOFT TECHNOLOGY CORPORATION USING
GENERAL SERVICES ADMINISTRATION (“GSA”) SCHEDULE FOR WEBSITE
HOSTING, SOFTWARE, AND RELATED SERVICES

WHEREAS, the City uses Carahsoft Technology Corporation for website hosting services, critical core software and related services; and

WHEREAS, by utilizing existing GSA pricing schedules, the City of Berkeley is able to take advantage of competitively-bid, pre-negotiated prices, economies of scale, and increased efficiencies; and

WHEREAS, funding in the amount of \$700,000 is available in the Information Technology (“IT”) department’s Fiscal Year (FY) 2026 and 2027 IT Cost Allocation and spending for website hosting services, software, and related support services in future years is subject to Council approval of the proposed citywide budget and annual appropriations ordinances;

NOW THEREFORE, BE IT RESOLVED by the Council of the City of Berkeley that the City Manager is authorized to execute an amendment to increase spending authority with Carahsoft Technology Corporation for website hosting services, core infrastructure software, and related services utilizing pricing established by the GSA for \$700,000 for a total not to exceed amount of \$2,378,953 for the period May 15, 2019 to June 30, 2027.



Office of the City Manager

CONSENT CALENDAR
June 24, 2025

To: Honorable Mayor and Members of the City Council

From: Paul Buddenhagen, City Manager

Submitted by: Scott Ferris, Director, Parks Recreation & Waterfront

Subject: Contract No. 32300210 Amendment: Pacific Site Management for On-Call Vegetation and Reduction Services

RECOMMENDATION

Adopt a resolution authorizing the City Manager to amend contract No. 32500210 with Pacific Site Management for as-needed vegetation management, increasing the amount by \$300,000 for an amended total amount not to exceed \$900,000.

FISCAL IMPACTS OF RECOMMENDATION

Funding for this contract amendment of \$300,000 is subject to appropriation in the FY 2026 budget in program code "1001- Fire Fuel Management" that is allocated from Fund 011.

CURRENT SITUATION AND ITS EFFECTS

The City currently has a contract with Pacific Site Management to perform vegetation management throughout the city on the public right-of-way, street medians, pathways, and in public parks (No. 32300210). To-date, staff has identified additional areas that require fuel reduction to ensure public safety during the fire season. A contract amendment for this work requires Council approval.

BACKGROUND

In February 2023, a Request for Proposal (RFP) was issued seeking qualified firms to provide landscape vegetation management on an on-call basis. The City determined that Pacific Site Management was a qualified firm and executed contract No. 32300210 in the amount of \$600,000 for a three-year period. To-date, the contractor has provided professional services in a detailed and timely manner, most recently at Glendale La Loma Park.

ENVIRONMENTAL SUSTAINABILITY AND CLIMATE IMPACTS

Chapter 1 of the City's Climate Action Plan acknowledges that California will experience a rise in wildfires due to climate change. This program preserves natural habitat by

removing unwanted invasive plant species and vegetative debris that are recycled and converted into usable compost. This services contract is an essential component in the proper maintenance of the City's open spaces.

RATIONALE FOR RECOMMENDATION

Staff have identified multiple areas in various City parks, along the public right of way, and other landscaped areas that need hazardous vegetation removal in order to ensure public safety during the fire season. The City does not have the in-house labor or equipment resources to complete this work.

Alternative Actions Considered

None

CONTACT PERSON

Bruce Pratt, Parks Superintendent, 981-6632

Melissa Parker, Senior Landscape Gardener Supervisor, 981-6684

Attachments:

1: Resolution

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

CONTRACT: 32300210 AMENDMENT WITH PACIFIC SITE MANAGEMENT FOR ON-CALL VEGETATION MANAGEMENT AND REDUCTION SERVICES

WHEREAS, on June 9, 1992, the City Council of the City of Berkeley authorized the creation of the Fire Fuel Management Program for public properties in response to the Oakland Hills Firestorm Disaster of October 1991; and

WHEREAS, the program objectives are to remove hazardous vegetation accumulations and to manage other vegetation in high-risk areas of City-owned parks, pathways, and landscaped areas. The City does not have the resources to accomplish this work using in-house staff, and therefore uses contracted services; and

WHEREAS, on February 2, 2023, to prepare for a new contract for these services, the City conducted a competitive Request For Proposal (RFP) process to solicit proposals for the removal of hazardous vegetation accumulations and to manage other vegetation in high-risk areas of City-owned parks, pathways, and landscaped areas (Specification No. 23-11560-C); and

WHEREAS, on March 14, 2023, the City received two (2) proposals, which were reviewed by staff; and

WHEREAS, staff determined that Pacific Site Management met the criteria described in the RFP and executed contract number 32300210 in the amount of \$600,000 for on-call services over a three year period; and

WHEREAS, funding for this contract amendment of \$300,000 is subject to appropriation in the FY 2026 budget in program code "1001- Fire Fuel Management" that is allocated from Fund 011.

NOW THEREFORE, BE IT RESOLVED by the Council of the City of Berkeley that the City Manager or his designee is hereby authorized to execute an amendment to Contract No. 32300210 with Pacific Site Management for on-call landscape vegetation management services, increasing the amount by \$300,000 for an amended total contract amount not to exceed \$900,000.



Office of the City Manager

CONSENT CALENDAR
June 24, 2025

To: Honorable Mayor and Members of the City Council

From: Paul Buddenhagen, City Manager

Submitted by: Jordan Klein, Director, Planning and Development Department

Subject: Authorize the City Manager to Accept Metropolitan Transportation Commission Transit Oriented Communities (TOC) Planning Grant

RECOMMENDATION

Adopt a Resolution authorizing the City Manager to accept the Metropolitan Transportation Commission Transit Oriented Communities (MTC TOC) grant in the amount of \$400,000 for the Ashby BART Station Access Plan.

FISCAL IMPACTS OF RECOMMENDATION

None. No City matching funds are required to accept this grant.

CURRENT SITUATION AND ITS EFFECTS

The work funded by this grant (“Ashby BART Station Access Plan”) is part of a larger Strategic Plan Priority Project to develop Transit Oriented Development (TOD) at Ashby BART, advancing the City’s goal to create affordable housing and housing support service for its most vulnerable community members.

The Ashby BART TOD Exchange Agreement (approved by Council in December 2024 and executed by the City and BART in January 2025) states that future TOD will require substantial investments in public infrastructure, such as the reconfiguration of Adeline Street, Woolsey Street, Ashby Avenue, and Martin Luther King Junior Way, plaza improvements along Adeline Street, and extensions of the plaza to connect to the new development. Conceptual plans and potential funding strategies for these improvements were approved by City Council as part of the following:

- Adeline Corridor Specific Plan (2020)
- Adeline at Ashby BART Conceptual Design (2022)
- Ashby BART TOD Exchange Agreement (2024)

In June 2024, the City secured and accepted grant funding from the Alameda County Transportation Commission to advance preliminary engineering for the redesign of Adeline Street, between Ashby Avenue and the border with the City of Oakland, based

on concepts previously approved by the City Council¹. The MTC TOC Planning Grant will complement this work by funding urban design and programming of the new, large plaza resulting from the Adeline Street roadway reconfiguration, and a station-specific access plan that considers the (yet to be developed) design concept for the Ashby BART site. It is important for the City to advance the design of the Adeline Street improvements, and in particular the Adeline Plaza at Ashby BART, in order to be well-positioned to apply for upcoming opportunities for capital grant funding (e.g. “One Bay Area Grant” (OBAG) 4 anticipated in 2027).

Specifically, the MTC TOC grant-funded project (Ashby BART TOD Station Access Plan) will:

- Develop urban design and programming options for the new plaza that would result from the proposed “road diet” for Adeline Street, from four lanes to two lanes, and a new plaza along the western side of Adeline Street that is intended to be the future home of the Berkeley Flea Market and other public programming.
- Evaluate current and future access needs for the station, the impact of the proposed developments on those needs, and propose solutions to ensure safe and efficient access to the Ashby BART Station. Since the development will reduce BART rider parking from 535 to a maximum of 85 spaces, the study will prioritize identifying viable transportation options for customers who historically relied on station parking. Once the selected Developer has submitted a conceptual development plan to BART for the Ashby West Lot, a second phase of the Station Access Plan will evaluate the ability of the plan to accommodate access needs, with consideration to the overall financial feasibility of the TOD project, potential grant and other subsidy sources, and accommodation of space for long term improvements that may not be made as part of the TOD.
- Include additional engagement that focuses on specific disadvantaged communities’ needs, such as the disabled community served by the adjacent Ed Roberts Campus, the Berkeley Flea Market vendors and Board, and the South Berkeley Black community.

MTC’s TOC Policy seeks to support not only transit ridership, but also the communities around transit stations and along transit corridors. The Policy seeks to create places where Bay Area residents of all abilities, income levels, and racial and ethnic backgrounds can live, work, and access services like education, childcare, and healthcare. The TOC Policy is based on four policy areas related to minimum residential and commercial densities for new development near transit stations: housing and commercial development; preservation and protection/anti-displacement; parking management; and transit station access and circulation. Future OBAG funding cycles will consider prioritizing investments in areas that support the TOC Policy. Over the last several months, MTC has solicited feedback on its draft compliance criteria and

¹ Resolution No. 71,418-N.S., June 25, 2024.

assisted in evaluating compliance. Based on City staff's preliminary evaluation, the City of Berkeley is largely in compliance with MTC's TOC Policy. City staff will continue to monitor the TOC Policy as MTC finalizes the compliance criteria to complete the City's evaluation and assess what, if any, additional steps are needed to achieve compliance and put the City in the best position to apply for future OBAG funding (anticipated in 2026).

BACKGROUND

Spurred by the passage of Assembly Bill 2923 (AB 2923) in 2018, the City and BART have been collaborating to facilitate transit-oriented development at the Ashby and North Berkeley BART sites. Most recently, these efforts culminated in the City and BART executing an Exchange Agreement in January 2025. The Exchange Agreement set forth terms for the City to relinquish its air rights over the western parking lot (West Lot) and any public rights in an adjacent area (called R9-2) in return for fee simple ownership of the eastern parking lot (East Lot) and specified community benefits. It also defines how the City and BART will work together on developer solicitations, conditions for the City's affordable housing funding, requirements and responsibilities for public infrastructure, minimum standards and process requirements to develop City Objective Design Standards, project entitlement, and other identified milestones.

The public infrastructure requirements in the Exchange Agreement build on previous City Council adopted conceptual designs for reconfiguring Adeline and related streets. Council approved the overall concept design for the corridor as part of the approval of the Adeline Corridor Specific Plan on December 8, 2020, in Resolution No. 69,642-N.S. Subsequently, Council approved preliminary concepts for the section of the project adjacent to Ashby BART at its November 29, 2022 meeting, through Resolution No. 70,622-N.S., the Adeline Street at Ashby BART Conceptual Design.

In 2021 and 2023, the City was awarded grant funding from the Alameda County Transportation Commission Comprehensive Investment Plan to scope and develop preliminary engineering plans for a project on Adeline Street from Ashby Avenue (adjacent to the Ashby BART station) to the southern City limits. The Adeline Street Transportation Improvements Project would construct safety improvements for pedestrians, bicyclists, and transit riders, and repurpose two of the existing general purpose traffic lanes in order to construct protected bikeways and opportunities for public space, including space for a pedestrian plaza on the west side of Adeline Street at the Ashby BART station. Adjacent to the Ashby BART Station West Lot, this redesign will reduce Adeline from four to two lanes, repurposing the two existing lanes closest to the BART station as a public plaza that can be used for the Berkeley Flea Market, Juneteenth, and other events.

ENVIRONMENTAL SUSTAINABILITY AND CLIMATE IMPACTS

The work funded by the MTC TOC Planning Grant helps to advance the overall Ashby BART TOD project and priorities of the Adeline Corridor Specific Plan. Creating

equitable, transit-oriented mixed-use development that includes affordable housing and housing support services for Berkeley's most vulnerable community members is a City Strategic Plan goal, which also helps advance the environmental goals of being a global leader in addressing climate change, advancing environmental justice and protecting the environment. Furthermore, improvements to Adeline Street and associated streets, including transit improvements, protected bikeways, and upgrading pedestrian crossings, is anticipated to increase the numbers of people using transit, walking, and biking. This is consistent with the 2009 Climate Action Policy that calls for expanding and improving the City's bicycle and pedestrian infrastructure.

RATIONALE FOR RECOMMENDATION

In order to accept the competitively awarded MTC TOC Planning Grant, the City Council must adopt and submit the attached Resolution.

ALTERNATIVE ACTIONS CONSIDERED

None.

CONTACT PERSON

Alisa Shen, Principal Planner, Planning and Development Department, 510-981-7409

Attachments:

- 1: Resolution
- 2: MTC Planning Committee Transit Oriented Communities Policy: Planning Grant Awards, Feb. 14, 2025.

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

AUTHORIZE THE CITY MANAGER TO ACCEPT METROPOLITAN
TRANSPORTATION COMMISSION TRANSIT ORIENTED COMMUNITIES GRANT

WHEREAS, the Metropolitan Transportation Commission (MTC) adopted its Resolution 4530, the Transit Oriented Communities (TOC) Policy; and

WHEREAS, the TOC Policy incentivizes local jurisdictions to plan and zone for higher residential and commercial densities in areas within one half-mile of existing and planned fixed-guideway transit stops and stations, to support the region's transit investments and implement key greenhouse gas reduction strategies from Plan Bay Area 2050; and

WHEREAS, incentivizing local jurisdictions to also adopt policies focused on increasing housing production of all types, particularly affordable housing production, preservation and protection, commercial anti-displacement and stabilization, parking management, and transit station access and circulation further supports regional transit investments and Plan Bay Area 2050 implementation; and

WHEREAS, in 2023 MTC identified Ashby BART as a Tier 2 "Transit Oriented Community" in the City of Berkeley; and

WHEREAS, MTC conditions the allocation of regional discretionary funding for fixed-guideway transit extension projects on compliance with the TOC Policy; and

WHEREAS, MTC anticipates that future regional funding, such as the One Bay Area Grant (OBAG) program, will consider compliance with the TOC Policy as part of the prioritization and project selection process starting with OBAG 4, expected in 2026; and

WHEREAS, the TOC Policy establishes different compliance expectations for existing and planned station areas based on the level of transit service; and

WHEREAS, the TOC Policy identifies four TOC Policy areas (density, housing affordability, parking, and access/circulation); and

WHEREAS, on September 30, 2024 the MTC announced a Call for Projects for Transit Oriented Communities (TOC) Planning and Implementation Grants, and informed local jurisdictions of a November 22, 2024 deadline for submittals of Applications, as well as grant application guidance and requirements including compliance with the Transit Oriented Communities Policy; and

WHEREAS, the City of Berkeley and the San Francisco Bay Area Rapid Transit District (BART) partnered to submit a grant application to MTC for \$400,000 for the Ashby

BART Transit Oriented Development Station Access Plan (“the Project”) in response to the MTC’s Call for TOC Planning and Implementation Projects; and

WHEREAS, the Project advances milestones set forth in the Ashby BART Transit-Oriented Development Exchange Agreement (Ordinance No. 7,939-N.S.), the Adeline Corridor Specific Plan (Ordinance No. 7,744-N.S.), and the Adeline at Ashby BART Conceptual Design (Resolution No. 70,622-N.S.); and

WHEREAS, the City of Berkeley and BART were notified on March 13, 2025 by MTC’s Planning Committee approved awarding a planning grant to the City and BART for the Project.

NOW THEREFORE, BE IT RESOLVED that the City of Berkeley commits to take steps toward achieving compliance with MTC’s TOC Policy as a condition for MTC to allocate Regional Discretionary Funding to the Project.

BE IT FURTHER RESOLVED by the Council of the City of Berkeley that the City Manager or their designee is hereby authorized to accept the \$400,000 MTC TOC Planning Grant award for the Project.

Metropolitan Transportation Commission
MTC Planning Committee

February 14, 2025

Agenda Item 7a

Transit Oriented Communities Policy: Planning Grant Awards

Subject:

Approval of \$20 million in grants to local jurisdictions to support Transit Oriented Communities (TOC) policy planning across the four TOC Policy areas of land use density, housing policy, parking management, and station access and circulation.

Background:

In September 2022, MTC adopted the TOC Policy (MTC Resolution No. 4530) to support the region's transit investments by creating communities around transit stations and along transit corridors that not only enable transit ridership, but also are places where Bay Area residents of all abilities, income levels, and backgrounds can live, work, and access services. The TOC Policy focuses on the core elements of land use density, affordable housing, parking management, and complete streets/multimodal access to implement Plan Bay Area 2050 strategies. The TOC Policy applies to the half-mile area around existing and planned fixed-guideway transit stops and stations (i.e., regional rail, commuter rail, light-rail transit, bus rapid transit, and ferries). MTC Resolution No. 4530 was revised in October 2023 to clarify the application of the TOC Policy to transit extensions.

Since the TOC Policy was adopted, staff developed and published [Administrative Guidance](https://mtc.ca.gov/digital-library/5023804-mtc-administrative-guidance-transit-oriented-communities-policy) (https://mtc.ca.gov/digital-library/5023804-mtc-administrative-guidance-transit-oriented-communities-policy) to clarify policy requirements and instruct local governments how to submit compliance documentation. The guidance was developed based on extensive engagement with local government staff, practitioners, advocates, and policy experts.

Call for Projects:

On September 30, 2024, staff released a coordinated call for projects for TOC Policy planning (\$20 million) and capital investments (\$40 million). The TOC planning applications were due on November 22, 2024. Capital applications were due December 20, 2024, with recommended awards anticipated in March 2025. Following the initial planning call for projects announcement, staff conducted extensive outreach to cities and counties eligible for these funds through

webinars, presentations at local planning collaboratives, and over 50 hours of one-on-one office hours with local jurisdiction staff. MTC received 79 applications across all four TOC Policy areas totaling \$29.9 million. Application requests for the land use density and housing policy TOC Policy areas exceed the amounts available for those funding categories. Parking requests are approximately \$102,000 below the amount available. Access and circulation requests are \$1.75 million below the amount available.

Table 1. Summary of Applications Received by TOC Policy Area

TOC Policy Area	Number of Applications Received	Total Funding Request	Total Funding Available
Land Use Density (Specific Plans and Zoning Changes)	24	\$14,665,000	\$8,000,000
Housing Policy	22	\$7,078,000	\$2,000,000
Parking Management	18	\$3,898,000	\$4,000,000
Station Access and Circulation	15	\$4,250,000	\$6,000,000
Total	79	\$29,891,000	\$20,000,000

Recommended Awards:

Applications were evaluated based on standardized evaluation criteria assessing the impact to achieve TOC compliance in the respective policy area; alignment with existing local and regional priorities; project feasibility and project readiness. To assist the largest number of applicants to achieve TOC compliance, staff prioritized land use density technical assistance requests over specific plans. Staff also prioritized housing policy applications focusing on preservation and/or protections policies as well as joint, multi-jurisdictional applications with sub-regional goals. Applicants for parking and station access and circulation will receive technical assistance to support multi-modal planning and policy adoption.

Following the evaluation process there is an additional \$120,000 in the station access and circulation category, bringing the total available balance to \$1.87 million. To respond to the differing levels of demand for the TOC Policy categories, staff propose to rebalance the funding to meet demand as much as possible. The staff proposal includes:

- Allocate an additional \$1.45 million to the Land Use Density category, which enables funding three more grants than otherwise would have been possible.
- Allocate an additional \$200,000 to the Housing Policy category to ensure that higher ranking proposals receive adequate funding to complete the work scope to better achieve proposed policy outcomes.
- Given the extreme over-subscription for the Housing Policy category, allocate an additional \$225,000 to the Regional Housing Technical Assistance (RHTA) Program, which will enable MTC-ABAG to benefit a larger number of jurisdictions through cost-effective products with multi-jurisdictional impact. While there is insufficient funding to provide grants to all applicants, this will support the RHTA Program's current direction to support TOC Policy compliance.
- Allocate the \$102,000 parking balance within the Parking category to complete the work scope and achieve TOC Policy compliance for a project submitted with an underestimated project budget.

All award recommendations are summarized in Attachment B, along with additional details for each funding category. Across all the funding categories, 157 TOC station areas are receiving some form of planning or technical assistance.

Technical Assistance Support to Implement TOC Policies:

In addition to the grant awards, staff will provide additional technical assistance by developing templates and materials for jurisdictions to use for compliance, including but not limited to the assistance offered through the RHTA Program noted above. Staff will provide one-on-one technical assistance, as needed, to support successful implementation and will prioritize jurisdictions not awarded through this call for projects.

Issues:

Staff recommends conditional awards for two projects. Staff recommends conditioning the Healdsburg Depot Sonoma-Marín Area Rail Transit (SMART) Station Area Plan on coordinated scope development between Healdsburg, SMART and Sonoma County Transportation Authority staff to ensure shared understanding of the project by all agencies. Staff also recommend conditioning the Millbrae BART/Caltrain station parking project award on the city executing

consultant and MTC grant agreements for its existing Priority Development Area (PDA) planning grants awarded in 2023 by September 30, 2025.

Next Steps:

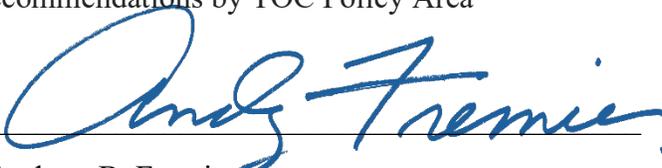
Following approval, staff will work with awardees to confirm work scopes and begin the contracting process to complete the work. Staff anticipate projects to begin in summer 2025.

Recommendation:

Staff request the MTC Planning Committee to approve \$20 million in grants to local jurisdictions as shown in Attachment B to support TOC policy compliance across the four TOC Policy areas of land use density, housing policy, parking management, and station access and circulation. Associated programming revisions to MTC Resolution Nos. 4202, Revised; 4505, Revised; and 4540, Revised will be included in the March 12, 2025, Programming and Allocations Committee packet.

Attachments:

- Attachment A: Presentation
- Attachment B: Summary of Award Recommendations by TOC Policy Area



Andrew B. Fremier



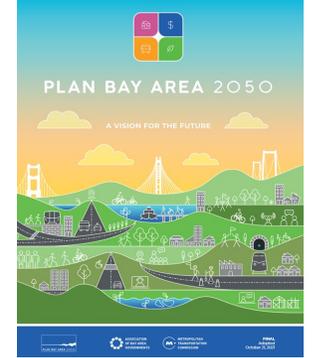
Transit Oriented Communities Policy 2024 Planning and Implementation Grants

**MTC Planning Committee
February 14, 2025**



Coordinated Call for Projects

Advance Transit Oriented Communities (TOC) Policy compliance through a mix of planning and capital grants.



Planning Grants

- Planning funding focused on *TOC Policy compliance*
- Call for projects released September 30, 2024
- Applications due November 22, 2024
- \$20 million total

Capital Grants

- Capital funding for implementation/design/construction
- Call for projects released September 30, 2024
- Applications due December 20, 2024
- Anticipated awards: March 2025
- \$40 million total

TOC Policy (2022)



Photo credit: Noah Berger

- Supports region's transit investments by creating communities around transit stations and along transit corridors
- Applies to half-mile area around existing and planned fixed-guideway transit stops and stations
- Four policy areas for jurisdiction compliance:
 - Land use density
 - Housing policy
 - Parking
 - Station access and circulation

Planning Grant Program Goals (\$20 Million)

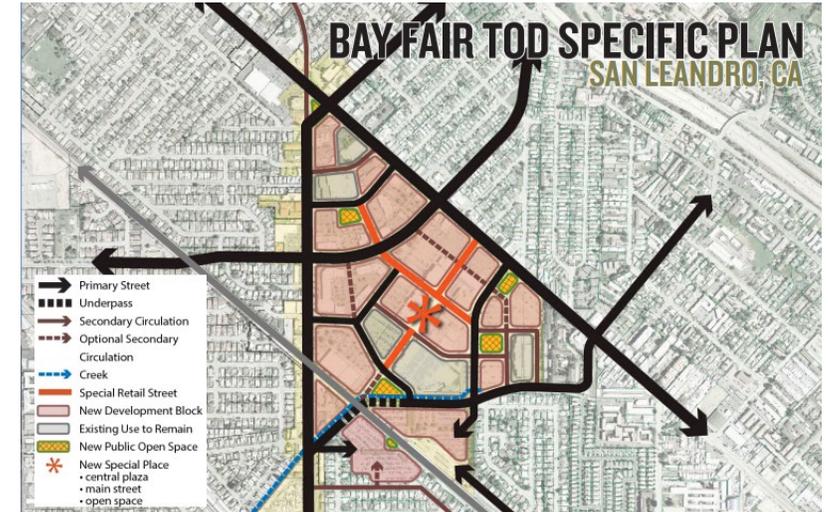
- **TOC Policy Implementation:** support local governments to meet TOC standards in light of 2026 compliance timeline.

- **Focus on Impact:** Prioritize investments to achieve greatest co-benefits across land use, transportation and climate activities.
 - **Density:** Increasing residential and commercial densities around station areas
 - **Housing:** Adopting housing policies from the 3Ps (production, preservation and protection)
 - **Parking:** Adjusting minimum and maximum parking ratios as well as transportation demand management policies
 - **Access:** Planning for station access that includes active transportation uses and mobility hub infrastructure

Planning Grant Program Highlights

Eligibility Criteria

- Must be TOC Station Area
 - Non-TOC jurisdictions able to “opt in” per MTC Resolution No. 4530
- Must contribute towards TOC Policy compliance (density, housing policy, parking, station access)



Eligible Outcomes & Products

- New and updated comprehensive plans (e.g., Specific Plan)
- Adoption of specific policies, zoning updates, or implementation document(s)



Call for Projects



Notifications to city, transit agency and county transportation agency (CTA) staff



Webinars and county presentations



50+ hours of 1:1 office hours held with applicants



Simplified applications and coordinated release to support local planning and efficiency

Applications Received

TOC Policy Area	Number of Applications Received	Total Funding Available (in Millions)	Total Funding Requested (in Millions)
Specific Plans and Zoning Changes	24	\$8	\$15
Housing Policy Development	22	\$2	\$7
Parking Management	18	\$4	\$4
Station Access and Circulation	15	\$6	\$4
Totals	79	\$20	\$30

Recommended Awards

58 awards
33 grantees
157 TOC Areas

\$20 million

TOC Category	Number of Awards
Specific Plans and Zoning Changes	19
Housing Policy	7
Parking Management	18
Station Access and Circulation	14
Total	58

Recommended Awards



Specific Plans and Zoning Changes

TOC Policy Goal

Enable new development within TOC areas to be built at sufficiently high densities to support transit ridership and increase the proportion of trips taken by transit.

Call for Projects Summary

- \$8M available
- Received: 22 applications; \$14.7M requested
- Recommendation: 19 applications; \$9.5M for award



Housing Policy

TOC Policy Goal

Adopt six total housing policies from the “3Ps” menu (two each from production, preservation, and protection) to support affordable housing near transit.

Call for Projects Summary

- \$2M available
- Received: 22 applications; \$7.1M requested
- Recommendation: 7 applications; \$2.4M for award

Capital implementation recommendations anticipated in March

Recommended Awards



Parking Management

TOC Policy Goal

Reduce automobile trips and prioritize the limited land area near transit for other shared transportation modes and active transportation.

Call for Projects Summary

- \$4M available
- Received: 18 applications; \$3.9M requested
- Recommendation: 18 applications; \$4M for award



Station Access and Circulation

TOC Policy Goal

Improve multimodal access to and within TOC station areas.

Call for Projects Summary

- \$6M available
- Received: 15 applications; \$4.3M requested
- Recommendation: 14 applications; \$4.1M for award

Package of TOC Compliance Support

In addition to TOC grant awards, support for TOC Policy compliance includes:

- Regional Housing Technical Assistance (RHTA) focused on TOC Implementation
- Existing Priority Development Area (PDA) and Priority Sites grants
- Ordinance templates
- Additional TOC Policy-specific technical assistance
- Potential for planning funds through OBAG4



Credit: Amie Holbrook



Credit: Nelson Nygaard Consulting Assoc.



Credit: Costar

TOC Planning Grants Next Steps

February 2025:

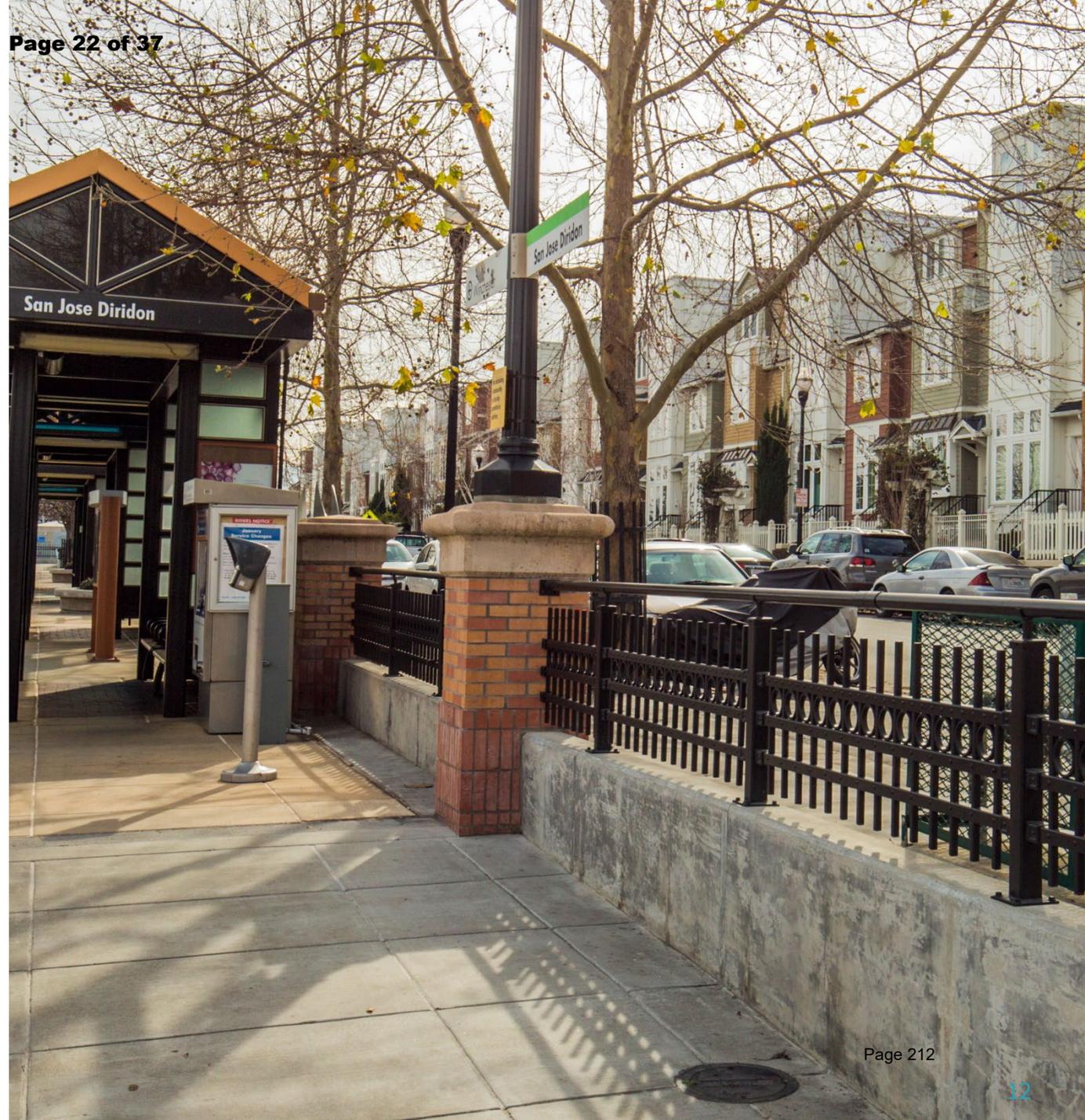
Request approval of
recommended TOC Policy
Planning Grants

March 2025:

Begin contracting process with
jurisdictions

Summer 2025:

Project kickoffs



Transit Oriented Communities Policy Planning Grant Awards Summary

Total funding request received: \$29,891,000
Total recommended funding request: \$20,000,000

Table 1. Summary of Award Recommendations by TOC Policy Area

County	Project Sponsor	TOC Station(s)	Specific Plans and Zoning Changes	Housing Policy Development	Parking Management	Station Access and Circulation	Total	No. of Awards
Alameda	Alameda County Community Development Agency	Bay Fair BART Castro Valley BART	\$1,000,000	\$400,000	\$300,000	\$400,000	\$2,100,000	4
Alameda	Berkeley	Ashby BART				\$400,000	\$400,000	1
Alameda	Emeryville	Emeryville Capitol Corridor		\$250,000			\$250,000	1
Alameda	Hayward	Hayward BART			\$300,000	\$300,000	\$600,000	2
Alameda	Oakland	All TOCs in Jurisdiction (37)			\$300,000		\$300,000	1
Alameda	Pleasanton	Dublin-Pleasanton BART			\$150,000	\$150,000	\$300,000	2
Alameda	San Leandro	All TOCs in Jurisdiction (6)				\$265,000	\$265,000	1
Contra Costa	Antioch	Antioch BART	\$650,000		\$100,000	\$100,000	\$850,000	3
Contra Costa	Concord	Concord BART	\$185,000		\$300,000		\$485,000	2
Contra Costa	Contra Costa County	Pleasant Hill BART				\$400,000	\$400,000	1
Contra Costa	El Cerrito	El Cerrito Plaza BART El Cerrito del Norte BART	\$270,000				\$270,000	1
Contra Costa	Lafayette	Lafayette BART				\$350,000	\$350,000	1
Contra Costa	Orinda	Orinda BART			\$300,000		\$300,000	1
Contra Costa	Pittsburg ¹	Pittsburg Center BART Pittsburg/Bay Point BART	\$250,000				\$250,000	1
Marin	Larkspur	Larkspur Ferry Larkspur SMART			\$175,000		\$175,000	1
Marin	Marin County	All TOCs in County (10)		\$400,000			\$400,000	1
San Mateo	Colma ¹	Colma BART	\$100,000				\$100,000	1
San Mateo	Millbrae	Millbrae BART/Caltrain Station			\$300,000		\$300,000	1
San Mateo	Menlo Park	Menlo Park Caltrain		\$250,000	\$200,000	\$400,000	\$850,000	3
San Mateo	Redwood City	Redwood City Caltrain	\$350,000		\$300,000		\$650,000	2
San Mateo	San Bruno	San Bruno BART San Bruno Caltrain	\$300,000		\$100,000		\$400,000	2
		San Mateo Caltrain						

County	Project Sponsor	TOC Station(s)	Specific Plans and Zoning Changes	Housing Policy Development	Parking Management	Station Access and Circulation	Total	No. of Awards
San Mateo	San Mateo City	Hayward Park Caltrain Hillsdale Caltrain	\$610,000				\$610,000	1
San Mateo	San Mateo County	Belmont Caltrain Bayshore Caltrain Colma BART Daly City BART Menlo Park Caltrain Redwood City Caltrain San Bruno BART San Bruno Caltrain Hayward Park Caltrain Hillsdale Caltrain San Mateo Caltrain		\$500,000			\$500,000	1
San Mateo	South San Francisco	San Bruno BART South San Francisco BART South San Francisco Caltrain South San Francisco Ferry	\$250,000				\$250,000	1
Santa Clara	Milpitas	Milpitas BART	\$100,000		\$300,000		\$400,000	2
Santa Clara	Morgan Hill	Morgan Hill Caltrain	\$650,000	\$200,000	\$125,000	\$175,000	\$1,150,000	4
Santa Clara	San José	All TOCs in Jurisdiction (48)	\$1,200,000		\$300,000	\$400,000	\$1,900,000	3
Santa Clara	Santa Clara City	Santa Clara Caltrain/Capitol Corridor/ACE/BART Lawrence Caltrain Great America VTA Station Lick Mill Station VTA Station Old Ironsides Station VTA Station Reamwood VTA Station Great America Capitol Corridor/ACE	\$250,000		\$150,000	\$400,000	\$800,000	3
Sonoma	Healdsburg ¹	Healdsburg Depot Station SMART	\$1,130,000				\$1,130,000	1

County	Project Sponsor	TOC Station(s)	Specific Plans and Zoning Changes	Housing Policy Development	Parking Management	Station Access and Circulation	Total	No. of Awards
Sonoma	Petaluma	Petaluma Downtown SMART	\$1,000,000			\$190,000	\$1,190,000	2
Sonoma	Santa Rosa	Santa Rosa North SMART Santa Rosa Downtown SMART	\$300,000		\$150,000		\$450,000	2
Sonoma	Sonoma County	Sonoma County Airport SMART	\$200,000				\$200,000	1
Sonoma	Windsor	Windsor SMART	\$650,000	\$200,000	\$150,000	\$200,000	\$1,200,000	4
Housing Technical Assistance ²				\$225,000			\$225,000	
Totals			\$9,445,000	\$2,425,000	\$4,000,000	\$4,130,000	\$20,000,000	
Count	33 (of 61 jurisdictions ³)	157 (of 381 total TOC stations ³)	19	7	18	14		58 Total Awards

¹ Funded with the \$1.87 million balance in the station access and circulation category.

² Funded with the \$1.87 million balance in the station access and circulation category to support ongoing housing technical assistance needs related to TOC housing policy compliance.

³ As of September 2024. Total number of jurisdictions and station areas could change due to planned stations.

Specific Plans and Zoning Changes Award Recommendations

Total funding request received: \$14,665,000
Total recommended funding request: \$9,445,000

Table 2. Recommended Awards for Specific Plans and Zoning Changes TOC Policy Area

County	Project Sponsor	TOC Station	Requested Award	Recommended Award	Grant Type
Alameda	Alameda County Community Development Agency ¹	Bay Fair BART Castro Valley BART	\$1,200,000	\$1,000,000	Plan
Contra Costa	Antioch	Antioch BART	\$650,000	\$650,000	Plan Amendment
Contra Costa	Concord	Concord BART	\$185,000	\$185,000	Technical Assistance
Contra Costa	El Cerrito	El Cerrito Plaza BART El Cerrito del Norte BART	\$270,000	\$270,000	Plan Amendment
Contra Costa	Pittsburg ²	Pittsburg Center BART Pittsburg/Bay Point BART	\$650,000	\$250,000	Plan Amendment
San Mateo	Colma	Colma BART	\$100,000	\$100,000	Technical Assistance
San Mateo	Redwood City	Redwood City Caltrain	\$350,000	\$350,000	Technical Assistance
San Mateo	San Bruno	San Bruno BART San Bruno Caltrain	\$300,000	\$300,000	Technical Assistance
San Mateo	City of San Mateo ³	San Mateo Caltrain Hayward Park Caltrain Hillsdale Caltrain	\$610,000	\$610,000	Technical Assistance

County	Project Sponsor	TOC Station	Requested Award	Recommended Award	Grant Type
San Mateo	South San Francisco ⁴	San Bruno BART South San Francisco BART South San Francisco Caltrain South San Francisco Ferry	\$1,200,000	\$250,000	Technical Assistance
Santa Clara	Milpitas	Milpitas BART	\$100,000	\$100,000	Technical Assistance
Santa Clara	Morgan Hill	Morgan Hill Caltrain	\$650,000	\$650,000	Plan Amendment
Santa Clara	San José	26 TOCs in San Jose	\$1,200,000	\$1,200,000	Technical Assistance
Santa Clara	City of Santa Clara	Great America VTA Station Lick Mill Station VTA Station Old Ironsides Station VTA Station Reamwood VTA Station	\$250,000	\$250,000	Technical Assistance
Sonoma	Healdsburg ⁵	Healdsburg Depot Station SMART	\$1,130,000	\$1,130,000	Plan
Sonoma	Petaluma	Petaluma Downtown SMART	\$1,000,000	\$1,000,000	Plan Amendment
Sonoma	Santa Rosa	Santa Rosa North SMART	\$300,000	\$300,000	Plan Amendment
Sonoma	Sonoma County	Sonoma County Airport SMART	\$200,000	\$200,000	Technical Assistance

County	Project Sponsor	TOC Station	Requested Award	Recommended Award	Grant Type
Sonoma	Windsor	Windsor SMART	\$650,000	\$650,000	Plan Amendment
Totals	19	56 TOCs	\$10,995,000	\$9,445,000	

¹ Recommended award amount was reduced in consideration of scope of work and cost estimation.

² Prioritizing technical assistance to rezone two BART stations to accommodate high density housing.

³ Total amount reflects two proposals, one for specific plan for one TOC, the other for the rezoning technical assistance of two TOCs. Recommendation is to fully fund rezoning.

⁴ Total amount reflects two proposals, one for specific plan to expand TOC the other for rezoning technical assistance. Recommendation is to fully fund rezoning.

⁵ Staff recommend conditioning this award based on coordinated scope development between Healdsburg, SMART and Sonoma County Transportation Authority staff.

Housing Policy Development Award Recommendations

Total funding request received: \$7,078,000
Total recommended funding request: \$2,425,000

Table 3. Recommended Awards for Housing Policy Development TOC Policy Area

County	Project Sponsor	TOC Station	Requested Award	Recommended Award	Policy Area(s)
Alameda	Alameda County Community Development Agency ¹	Bay Fair BART Castro Valley BART	\$500,000	\$400,000	Production, Protections
Alameda	Emeryville ²	Emeryville Capitol Corridor	\$500,000	\$250,000	Production, Protections
Marin	Marin County	All TOCs in County (10)	\$400,000	\$400,000	Preservation
San Mateo	Menlo Park ³	Menlo Park Caltrain	\$300,000	\$250,000	Protections
San Mateo	San Mateo County ⁴	Belmont Caltrain Bayshore Caltrain Colma BART Daly City BART Menlo Park Caltrain Redwood City Caltrain San Bruno BART San Bruno Caltrain Hayward Park Caltrain Hillsdale Caltrain San Mateo Caltrain	\$620,000	\$500,000	Production
Santa Clara	Morgan Hill ⁵	Morgan Hill Caltrain	\$178,000	\$200,000	Production, Preservation, Protections
Sonoma	Windsor ⁶	Windsor SMART	\$250,000	\$200,000	Production, Protections

County	Project Sponsor	TOC Station	Requested Award	Recommended Award	Policy Area(s)
Housing TA ⁷				\$225,000	
Totals	7	27	\$2,748,000	\$2,425,000	

¹ Recommended award amount was lowered in consideration of the scope of work, including three housing policies, and jurisdiction size.

² Recommended award amount was lowered in consideration of the scope of work, including three housing policies, and jurisdiction size.

³ Recommended award amount was lowered in consideration of the scope of work, including two housing policies.

⁴ Recommended award amount was lowered to meet the \$500,000 maximum award limit.

⁵ Recommended award amount was raised in consideration of the intended scope of work, including six housing policies.

⁶ Recommended award amount was lowered in consideration of the scope of work, including three housing policies.

⁷ Housing Technical Assistance to retain in reserve to support ongoing housing technical assistance needs related to TOC housing policy compliance, such as ordinance templates, etc.

Parking Management Planning Award Recommendations

Total funding request received: \$3,898,000
 Balance: \$102,000
Total recommended funding request: \$4,000,000

Table 4. Recommended Awards for Parking Management Planning TOC Policy Area

County	Project Sponsor	TOC Station	Requested Award	Recommended Award
Alameda	Alameda County Community Development Agency	Bay Fair BART Castro Valley BART	\$300,000	\$300,000
Alameda	Hayward	Hayward BART	\$300,000	\$300,000
Alameda	Oakland	All TOCs in Jurisdiction (37)	\$300,000	\$300,000
Alameda	Pleasanton	Dublin-Pleasanton BART	\$150,000	\$150,000
Contra Costa	Antioch	Antioch BART	\$100,000	\$100,000
Contra Costa	Concord	Concord BART	\$300,000	\$300,000
Contra Costa	Orinda	Orinda BART	\$300,000	\$300,000
Marin	Larkspur	Larkspur Ferry Larkspur SMART	\$175,000	\$175,000
San Mateo	Menlo Park	Menlo Park Caltrain	\$200,000	\$200,000
San Mateo	Millbrae ¹	Millbrae BART/Caltrain Station	\$300,000	\$300,000
San Mateo	Redwood City	Redwood City Caltrain	\$300,000	\$300,000
San Mateo	San Bruno	San Bruno BART San Bruno Caltrain	\$100,000	\$100,000
Santa Clara	Milpitas	Milpitas BART	\$300,000	\$300,000
Santa Clara	Morgan Hill ²	Morgan Hill Caltrain	\$23,000	\$125,000
Santa Clara	San José	All TOCs in Jurisdiction (48)	\$300,000	\$300,000

County	Project Sponsor	TOC Station	Requested Award	Recommended Award
Santa Clara	City of Santa Clara	Santa Clara Caltrain/Capitol Corridor/ACE/BART Lawrence Caltrain Great America VTA Station Lick Mill Station VTA Station Old Ironsides Station VTA Station Reamwood VTA Station Great America Capitol Corridor/ACE	\$150,000	\$150,000
Sonoma	Santa Rosa	Santa Rosa North SMART Santa Rosa Downtown SMART	\$150,000	\$150,000
Sonoma	Windsor	Windsor SMART	\$150,000	\$150,000
Totals²	18	111	\$3,898,000	\$4,000,000

¹ Staff recommend that the Millbrae parking project is conditional based on the city executing consultant and MTC grant agreements for its existing Priority Development Area (PDA) planning grants awarded in 2023 by September 30, 2025.

² Staff recommend applying the \$102,000 balance to Morgan Hill's parking project to complete the scope submitted in the application.

Station Access and Circulation Planning Award Recommendations

Total funding request received: \$4,250,000
Total recommended funding request: \$4,130,000
 Balance: \$1,870,000

Table 5. Recommended Awards for Station Access and Circulation Planning TOC Policy Area

County	Project Sponsor	TOC Station	Requested Award	Recommended Award
Alameda	Alameda County Community Development Agency	Bay Fair: BART Castro Valley: BART	\$400,000	\$400,000
Alameda	Berkeley/BART	Ashby BART	\$400,000	\$400,000
Alameda	Hayward	Hayward BART	\$300,000	\$300,000
Alameda	Pleasanton	Dublin-Pleasanton BART	\$150,000	\$150,000
Alameda	San Leandro	San Leandro BART and AC Transit Tempo Downtown San Leandro AC Transit Tempo San Leandro Civic Center AC Transit Tempo Georgia Way AC Transit Tempo Durant Avenue AC Transit Tempo	\$265,000	\$265,000
Contra Costa	Antioch	Antioch BART	\$100,000	\$100,000
Contra Costa	Contra Costa County	Pleasant Hill BART	\$400,000	\$400,000
Contra Costa	Lafayette	Lafayette BART	\$350,000	\$350,000
San Mateo	Menlo Park	Menlo Park Caltrain	\$400,000	\$400,000
Santa Clara	Morgan Hill	Morgan Hill Caltrain	\$175,000	\$175,000
Santa Clara	San José	4 TOCs not covered by existing plans	\$400,000	\$400,000
Santa Clara	City of Santa Clara	Santa Clara Caltrain/Capitol Corridor/ACE/BART	\$400,000	\$400,000
Sonoma	Petaluma	Petaluma Downtown SMART	\$190,000	\$190,000
Sonoma	Windsor	Windsor SMART	\$200,000	\$200,000
Totals	14	22	\$4,130,000	\$4,130,000

Applications Not Recommended for Funding this Cycle

Table 6. Applications Not Recommended for Funding this Cycle

County	Project Sponsor	TOC Policy Area	Funding Request	Evaluation	Receiving Another TOC Policy Award
Alameda	City of Alameda	Housing	\$250,000	Lower score relative to application pool1	No Applied for Housing only
Contra Costa	Lafayette	Housing	\$750,000	Lower score relative to application pool1	Yes Recommended for Station Access (350,000)
Contra Costa	Martinez	Housing	\$275,000	Lower score relative to application pool1	No Applied for Housing only
Contra Costa	Pittsburg	Housing	\$500,000	Lower score relative to application pool1	Yes Recommended for Specific Plans/Zoning (\$250,000)
Contra Costa	Walnut Creek	Specific Plans/Zoning	\$1,200,000	Rezoning TA prioritized over plans to assist more jurisdictions getting to TOC compliance over high-cost plans	No Applied for Specific Plans/Zoning only

County	Project Sponsor	TOC Policy Area	Funding Request	Evaluation	Receiving Another TOC Policy Award
Marin	Multi Jurisdiction Application	Specific Plans/Zoning	\$615,000	Rezoning TA prioritized over plans to assist more jurisdictions getting to TOC compliance over high-cost plans	Yes Recommended for Housing (\$400,000)
Marin	San Rafael	Housing	\$500,000	Lower score relative to application pool1	No Applied for Housing only
San Mateo	Belmont	Housing	\$70,000	Lower score relative to application pool1	No Applied for Housing only
San Mateo	Colma	Housing	\$115,000	Lower score relative to application pool1	Yes Recommended for Specific Plans/Zoning (\$100,000)
San Mateo	Millbrae	Specific Plans/Zoning	\$530,000	Lower score relative to application pool1	Yes Recommended for Parking (\$300,000)
		Housing	\$195,000		
		Station Access	\$120,000		

County	Project Sponsor	TOC Policy Area	Funding Request	Evaluation	Receiving Another TOC Policy Award
San Mateo	San Bruno	Housing	\$250,000	Lower score relative to application pool ¹	Yes Recommended for Specific Plans/Zoning (\$300,000) and Parking (\$100,000)
San Mateo	San Carlos	Housing	\$175,000	Lower score relative to application pool ¹	No Applied for Housing only
San Mateo	City of San Mateo	Specific Plans/Zoning (Specific Plan)	\$1,199,500	Rezoning TA prioritized over plans to assist more jurisdictions getting to TOC compliance over high-cost plans	Yes Recommended for Specific Plans/Zoning - Technical Assistance (\$610,000)
Santa Clara	Campbell	Housing	\$100,000	Lower score relative to application pool ¹	No Applied for Housing only
Santa Clara	Milpitas	Housing	\$100,000	Lower score relative to application pool ¹	Yes Recommended for Specific Plans/Zoning (\$100,000) and Parking (\$300,000)

County	Project Sponsor	TOC Policy Area	Funding Request	Evaluation	Receiving Another TOC Policy Award
Santa Clara	City of Santa Clara	Housing	\$150,000	Lower score relative to application pool ¹	Yes Recommended for Specific Plans/Zoning (\$250,000), Parking (\$150,000), and Station Access (\$400,000)
Sonoma	Santa Rosa	Housing	\$500,000	Lower score relative to application pool ¹	Yes Recommended for Specific Plans/Zoning (\$300,000) and Parking (\$150,000)
Sonoma	Sonoma County	Housing	\$400,000	Lower score relative to application pool ¹	Yes Recommended for Specific Plans/Zoning (\$150,000)
Total			\$7,994,500		

¹ Staff will work with the project sponsors to assist in the development of an application for the next round of TOC funding.



Civic Arts Commission

CONSENT CALENDAR
June 24, 2025

To: Honorable Mayor and Members of the City Council
 From: Civic Arts Commission
 Submitted by: Cameron Woo, Chairperson, Civic Arts Commission
 Subject: Authorization for Additional Civic Arts Commission Meeting in 2025

RECOMMENDATION

Adopt a Resolution for one additional meeting of the Civic Arts Commission in 2025.

FISCAL IMPACTS OF RECOMMENDATION

None.

CURRENT SITUATION AND ITS EFFECTS

The Civic Arts Commission requests approval to hold a Special Meeting on August 13, 2025 in order to take a vote on the artist selected for the Martin Luther King Jr. / Young Adult Project (Y.A.P.) Service Center Public Art Project located at 1730 Oregon Street in Grove Park. This public art project, will be a mosaic or tile-based public art piece that is part of a larger seismic retrofit and renovation of the Martin Luther King Jr. Youth Services Center/(Y.A.P.) building. The public art piece will be installed on an exterior wall and extend into the interior lobby of the renovated building, spanning approximately 885 square feet. Submission of this report for authorization of the additional meeting was approved by the Civic Arts Commission at its regular meeting on May 28, 2025.

The vote was as follows: M/S/C (Bullwinkel/Scott) to approve request to Council for additional meeting in 2025 on August 13. Vote: Ayes — Bachrach, Blecher, Bullwinkel, Pineda, Scott, Woo; Nays — None; Abstain — None; Absent — None.

Public Comment: None

BACKGROUND

Resolution No. 68,705–N.S. governs the number of meetings for boards and commissions per year and authorizes the Civic Arts Commission to meet ten times per year. In 2025, the Civic Arts Commission plans to hold its ten regular meetings in addition to this Special Meeting, for a total of eleven meetings in calendar year 2025.

ENVIRONMENTAL SUSTAINABILITY AND CLIMATE IMPACTS

None.

RATIONALE FOR RECOMMENDATION

In order to meet the construction schedule for the Martin Luther King, Jr. (Y.A.P.) Service Center building located at 1730 Oregon Street, the Civic Arts Commission requests an additional meeting in 2025. The special meeting is to be held on August 13, 2025 in order to take a vote on the artist selected for this project.

ALTERNATIVE ACTIONS CONSIDERED

None.

CITY MANAGER

The City Manager takes no position on the Commission's Report.

CONTACT PERSON

Jennifer Lovvorn, Secretary to the Civic Arts Commission, (510) 981-7533

Attachments:

1: Resolution

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

AUTHORIZING ADDITIONAL MEETING FOR THE CIVIC ARTS COMMISSION IN
2025

WHEREAS, Resolution No. 68,705–N.S. stipulates how many annual meetings are allowed for Berkeley’s commissions and authorizes the Civic Arts Commission to meet ten times per year; and

WHEREAS, in order to meet the construction and public art installation schedule for the renovation and retrofit of Martin Luther King, Jr. Y.A.P. Service Center building located at 1730 Oregon Street the artist must be selected swiftly; and

WHEREAS the public art project, will be a mosaic or tile-based public art piece that will be installed on an exterior wall and extend into the interior lobby of the renovated building, spanning approximately 885 square feet; and

WHEREAS, the Civic Arts Commission requests an additional meeting in 2025 to take a vote on the artist selected for this project at a special meeting to be held on August 13, 2025.

NOW THEREFORE, BE IT RESOLVED by the Council of the City of Berkeley that the Civic Arts Commission is authorized to hold one additional meeting in 2025.



Mental Health Commission

CONSENT CALENDAR
June 24, 2025

To: Honorable Mayor and Members of the City Council
 From: Mental Health Commission
 Submitted by: Ajay Krishnan, Mental Health Commission Chair
 Subject: Re-Appointment of Glenn Turner to the Mental Health Commission for the City of Berkeley

RECOMMENDATION

Adopt a Resolution re-appointing: Glenn Turner as a representative of the Special Public Interest Category - Family member, to complete her second 3-year term beginning June 25, 2025, and ending June 24, 2028.

FISCAL IMPACTS OF RECOMMENDATION

None.

CURRENT SITUATION AND ITS EFFECTS

The Mental Health Commission is authorized to be composed of thirteen members. However, there are presently four vacancies on the Commission. The Mental Health Commission (MHC) is actively seeking candidates with the ability to fulfill the state law duties for Commissioners, including reviewing and evaluating the community's mental health needs, services, facilities, resources and programs.

Approval of the recommended re-appointment will move the Commission a step closer to having a full and diverse complement of commissioners to review and evaluate the community's behavioral health needs, resources and programs.

BACKGROUND

The Mental Health Commission re-appointed Glenn Turner as a representative of the special public interest appointment to the Mental Health Commission for the City of Berkeley, for a second, three-year term. Glenn Turner has been a resident of Berkeley since 1977. She also works with FASMI (Families Advocating for the Seriously Mentally Ill) at the county and state levels.

California State law requires that appointees to the Mental Health Commission meet specific categories. The public interest category includes anyone who has an interest in and some knowledge of mental health services. The special public interest category includes direct consumers of public mental health services and

family members of consumers, which together must constitute at least fifty percent or nine of the commission seats. Direct consumers and family members shall each constitute at least 20% of the commission membership.

Glenn is currently retired after serving the spiritual needs of Black, Brown, new age, and Queer people at her Berkeley retail business for more than 30 years. She brings legal, financial, operational, and other important skills to the Mental Health Commission. She is also a member of Berkeley Copwatch, Care Not Cops, Creative Action Theater, and has done planning and logistics for the Climate Emergency Task Force.

During her 3-year term with the MHC, Glenn held the vice chair position and has been on multiple sub-committees including the membership, evaluation, care court and finance committees.

The Mental Health Commission passed the following motions at the April 30, 2025, meeting:

Vote to re-appoint Commissioner Glenn Turner to the Mental Health Commission M/S/C (Gu, Teague) Move to re-appoint Glenn Turner to the MHC and send to City Council for approval

PASSED

Ayes: Gu, Opton, Sol, Teague, Turner; Noes: None; Abstentions: None; Absent: Jones, Krishnan, Tregub, Prichett

ENVIRONMENTAL SUSTAINABILITY AND CLIMATE IMPACTS

There are no identifiable environmental effects or opportunities associated with the subject of this report.

RATIONALE FOR RECOMMENDATION

Approval of the recommended action will allow the Mental Health Commission to move one step closer to having a full and diverse complement of commissioners to review and evaluate the community's mental health needs, resources, and programs.

ALTERNATIVE ACTIONS CONSIDERED

None.

CITY MANAGER

The City Manager concurs with the content and recommendations of the Commission's Report.

CONTACT PERSON

Jamie Works-Wright, Commission Secretary, HHCS, 510-981-7721

Appointment of Glenn Turner to the MHC

CONSENT CALENDAR
June 24, 2025

Attachments:
1: Resolution

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

APPOINTMENT OF GLENN TURNER TO THE MENTAL HEALTH COMMISSION

WHEREAS, membership of the Mental Health Commission is composed of thirteen appointments by the City Council as a whole, including one appointment by the Mayor (*or designee*), six special public interest appointments, and four general public interest appointments; and

WHEREAS, with the ongoing implementation of the Mental Health Services Act, the City of Berkeley will need to have a full complement of diverse appointees to the Commission to review and evaluate the community's mental health needs, resources, and programs and to fulfill its mandate; and

WHEREAS, Ms. Glenn Turner has volunteered within the community and is a family member of a person with lived experience,

WHEREAS, the Mental Health Commission at its April 30, 2025, meeting recommended the re-appointment of Glenn Turner.

NOW THEREFORE, BE IT RESOLVED by the Council of the City of Berkeley that the Council re-appoint Glenn Turner as a representative of the Special Public Interest category, to complete her second term ending June 24, 2028.



To: Honorable Mayor and Members of the City Council
 From: Councilmember Shoshana O'Keefe (Author), Mayor Adena Ishii and
 Councilmembers Terry Taplin and Ben Bartlett (Co-Sponsors)
 Subject: Berkeley High School All Class Reunion: Relinquishment of Council Office
 Budget Funds to General Fund and Grant of Such Funds

RECOMMENDATION

Adopt a Resolution approving the expenditure of an amount not to exceed \$500 per Councilmember – including \$500 from Mayor Ishii, \$250 from Councilmember O'Keefe, \$250 from Councilmember Taplin, and \$250 from Councilmember Bartlett – to support the Berkeley High School All Class Reunion Committee (BHS ACRC) by way of its fiscal sponsor, the Berkeley Public Schools Fund, with funds relinquished to the City's general fund for this purpose.

BACKGROUND

The Berkeley High School All Class Reunion Committee (BHS ACRC) is planning its 7th Biennial All Class Picnic on Saturday, August 23, 2025. The event will take place at San Pablo Park from 10:00 AM to 6:00 PM.

This community celebration was designed to rekindle memories of BHS pride and reconnect friendships, neighbors, and families. Alumni and people of all ages can enjoy a picnic in the park with good food, live music, vendors, a kids zone, and a health fair. Previous reunions have reconnected over 2,000 people. Any excess funds will go toward funding a BHS Scholarship.

ENVIRONMENTAL SUSTAINABILITY

None.

FISCAL IMPACTS

No General Fund impact. \$500 is available from contributing Councilmembers' Council Office Budget discretionary accounts.

CONTACT

Councilmember O'Keefe, 510-524-1625

RESOLUTION ##,###-N.S.

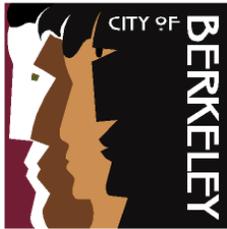
AUTHORIZING THE EXPENDITURE OF SURPLUS FUNDS FROM THE OFFICE EXPENSE ACCOUNTS OF THE MAYOR AND COUNCIL MEMBERS FOR A GRANT TO PROVIDE PUBLIC SERVICES FOR A MUNICIPAL PUBLIC PURPOSE

WHEREAS, Mayor Ishii, and Councilmembers Shoshana O'Keefe, Terry Taplin, and Ben Bartlett have surplus funds in their office expenditure accounts; and

WHEREAS, a California non-profit tax-exempt corporation Berkeley Public Schools Fund seeks funds to provide the following public services: Berkeley High School All Class Reunion; and

WHEREAS, the provision of such services would fulfill the following municipal public purpose: reunion for BHS alumni and BHS scholarships;

NOW THEREFORE, BE IT RESOLVED by the Council of the City of Berkeley that funds relinquished by the Mayor and Councilmembers from their Council Office Budget, up to \$500 per office, shall be granted to Berkeley Public Schools Fund to fund the following services: Berkeley High School All Class Reunion.



Office of the City Manager

PUBLIC HEARING
June 24, 2025

To: Honorable Mayor and Members of the City Council
 From: Paul Buddenhagen, City Manager
 Submitted by: Eleanor Hollander, Manager, Office of Economic Development
 Subject: Re-Establishment of the Berkeley Tourism Business Improvement District

RECOMMENDATION

1. Conduct a public hearing on the renewal of the Berkeley Tourism Business Improvement District (BTBID) for 10 years starting July 1, 2025.
2. Conduct a public hearing on the modification of the existing BTBID to end on June 30, 2025, shortening the existing BTBID's term from ten (10) years to eight (8) years thus modifying the existing BTBID Management District Plan.

Upon conclusion, declare results of the majority protest proceedings and adopt a Resolution to Re-Establish (renew) the Berkeley Tourism Business Improvement District (BTBID) for a term of ten (10) years, and adopt a Resolution to modify the term of the existing BTBID to coincide with the renewal/reestablishment of the BTBID.

SUMMARY

The Berkeley Tourism Business Improvement District or, BTBID, is a benefit assessment district created in 2012 and subsequently renewed in 2017, to fund marketing and sales promotion efforts for assessed lodging businesses in Berkeley with five rooms or more. Lodging business owners decided to pursue renewal of the BTBID in order to maintain a revenue source devoted to marketing the City of Berkeley (City) as a destination for tourism, meetings, and events. Currently, the City contracts with Visit Berkeley, the BTBID's Owners' Association, which also functions as the City's Convention and Visitor's Bureau, to implement the activities funded by the BTBID.

The BTBID is proposed to be renewed pursuant to the Property and Business Improvement District Law of 1994, Streets and Highways Code section 36600 et. seq. If renewed, the BTBID District would generate funding annually—approximately \$2,221,000 in FY 2026—for the promotion of travel and tourism specific to Berkeley.

On May 6, 2025, the Berkeley City Council (“Council”) adopted Resolution No. 71,749–N.S. (BTBID Renewal) declaring its intention to renew the Berkeley Tourism Business Improvement District (“BTBID”). The Council also adopted Resolution No. 71,750–N.S. (BTBID Modification) to amend the term of the current Tourism BID to align with the renewed district; and Resolution No. 71,751–N.S. (Contract) authorizing the City Manager to execute a contract and any necessary amendments with Visit Berkeley, the BTBID’s Owners’ Association and the City of Berkeley’s Convention and Visitor’s Bureau, for an amount not to exceed total Tourism BID collections for the term of the renewed BTBID, beginning on July 1, 2025 and concluding on June 30, 2035.

On May 8, 2025, notice of the public meeting and public hearing were mailed to businesses that will be assessed in the renewed BTBID with a term beginning on July 1, 2025. On June 3, 2025, the Council held a public meeting for comments on the renewed BTBID. Tonight’s public hearing and resolution are the last steps necessary to renew the BTBID (Attachment 1). To date, the City Clerk has received protests from businesses representing 0% of the total proposed assessment. The Council can adopt this resolution as long as there is no majority protest, defined as a protest by businesses paying fifty percent (50%) or more of the proposed assessment.

On May 6, 2025, the Council adopted a Resolution No. 71,750–N.S. (BTBID Modification) declaring its intention to modify the current BTBID to a term ending June 30, 2025, to coincide with the establishment of the renewed district. On May 27, 2025, a copy of the resolution was mailed to businesses that are currently assessed in the BTBID. On May 23, 2025 a copy of the resolution was published in a newspaper of general circulation in the City of Berkeley (City). Tonight’s public hearing and resolution are the last steps necessary to modify the term of the existing BTBID (Attachment 2).

FISCAL IMPACTS OF RECOMMENDATION

The proposed renewed BTBID would place a three percent (3%) assessment on short-term sleeping room rental revenue on all lodging businesses, existing and in the future, with five (5) rooms or more, available for public occupancy within the boundaries of the City. Lodging businesses may include, but are not limited to, any hotel, inn, tourist home or house, motel, studio hotel, bachelor hotel, or other similar structure or portion thereof.

The total BTBID annual assessment budget for the initial year of its ten (10) year operation is anticipated to be approximately \$2,221,000 in FY2026. If renewed, the BTBID would be in effect for ten (10) years and a similar assessment budget is expected to apply to subsequent years, though the total assessment amounts would vary each year based on the revenue generated by the lodging businesses.

The proposed *BTBID Management District Plan* designates that the funds generated by the BTBID are to be used for marketing, promotion, special event sponsorship and other specific hotel-serving activities. One percent (1%) of the funds would be retained annually by the City for its administrative services in collecting the assessments and contracting for the BTBID services. Because the BTBID programs are designed to bring more visitors to the City, the program should continue to result in an increase in

transient occupancy tax (TOT) collections. There may also be an increase in travel-related sales tax revenues as a result of higher hotel occupancies.

The City Clerk has mailed notice of tonight's public hearing and a copy of the resolution of intention to all businesses within the proposed district. If the proposed BTBID is renewed, the City will be responsible for collecting and forwarding assessment funds and will be reimbursed for the cost of this service. Annual assessment funds will be deposited into Tourism BID Fund 781-21-208-251-0000-000-000-412110 and expended from fund 781-21-208-251-0000-000-446-636110. Resolution No. 71,751–N.S. (Contract) authorizes the creation of a contract with Visit Berkeley the BTBID's Owners' Association, for an amount not to exceed total BTBID collections for the term of the renewed BTBID, beginning on July 1, 2025 and concluding on June 30, 2035 to pass through the collected Tourism BID funds to the BTBID Owners' Association to implement the *BTBID Management District Plan (2025)*.

CURRENT SITUATION AND ITS EFFECTS

The BTBID is a benefit assessment district created in 2012 (Resolution No. 65,899–N.S.) and subsequently renewed in 2017 (Resolution No 67-926-N.S.) to provide marketing & sales promotions for assessed lodging businesses. The proposed renewed BTBID includes all lodging businesses, existing and in the future, with five (5) rooms or more, available for public occupancy within the boundaries of the City. The proposed renewed BTBID would place a three percent (3%) assessment on short-term sleeping room rental revenue on all lodging businesses. Lodging business owners decided to pursue renewal of the BTBID and increase the assessment from 1% to 3% in order to maintain a revenue source devoted to marketing the City as a destination for tourism, meetings, and events and to add a cultural resources component to their programming as outlined on page 8 of the *BTBID Management District Plan*.

The current BTBID was renewed in 2017 for a ten (10) year term, beginning July 1, 2017, through June 30, 2027. Visit Berkeley, the BTBID's Owners' Association, has requested that the current BTBID term be modified to shorten the ten (10) year term to eight (8) years. The process to modify the current BTBID is set to be completed concurrently with the completion of BTBID renewal. That is, the proposed modified BTBID's term will expire on June 30, 2025, and the renewed BTBID will begin on July 1, 2025, with no break in service. The purpose of the modification is to align the BTBID's term with the renewed term, while simultaneously implementing the annual assessment rate of three percent (3%) of gross short-term sleeping room rental revenue.

The Tourism BID assessment would continue to be collected from the businesses assessed by the City concurrently with Transient Occupancy Tax, or TOT, which remains at 1%. The City would continue to contract with Visit Berkeley to act as the Owners' Association of the BTBID and provide services with the BTBID funds collected. The *BTBID Management District Plan* designates that the funds would be used for marketing & sales promotions and cultural tourism programs. The *BTBID Management District Plan* also calls for City oversight of Visit Berkeley's management of BTBID funds, including the yearly submission of an annual report and proposed budget for the

following Fiscal Year, typically presented to City Council in late spring/early summer prior to the commencement of the fiscal year on July 1.

Renewal Process

The BTBID Owners' Association, Visit Berkeley, began the process of renewing the BTBID in January 2025 by circulating a petition of all eligible lodging establishments. In March 2025, the Berkeley City Clerk certified that the City has received written petitions signed by lodging business owners in the proposed district who will pay more than fifty percent (50%) of the assessments proposed to be levied with the assistance of the City's Finance Department. The majority petition allowed the City Council to initiate proceedings for district renewal, with the adoption of a resolution with intent of formation on May 6, 2025.

The Property and Business Improvement District Law of 1994 requires the City mail written notice to the owners of all businesses proposed to be assessed within the BTBID. Mailing the notice begins a mandatory forty-five day period in which owners may protest BTBID renewal. The mailing of the notice was completed on May 8, 2025.

Following the adoption of the Resolution of Intention to renew the district, the City Council scheduled and held a public meeting on June 3, 2025, where the City Council took public testimony regarding the proposed assessment (Attachment 3).

Finally, the City Council has scheduled a public hearing for June 24, 2025 where any protests may be received. If at the time of the public hearing, if written protests *have not* been received from businesses that will pay fifty percent or more of the proposed assessments, the City Council can adopt a resolution of formation renewing the BTBID.

If written protests *are* received from the owners of businesses in the renewed BTBID which will pay fifty percent (50%) or more of the assessments proposed to be levied and protests are not withdrawn so as to reduce the protests to less than fifty percent (50%), no further proceedings to levy the proposed assessment against such businesses shall be taken for a period of one year from the date of the finding of a majority protest by the Council. At the conclusion of the public hearing to renew the BTBID, the Council may adopt, revise, change, reduce, or modify the proposed assessment or the type or types of improvements and activities to be funded with the revenues from the assessments. Proposed assessments may only be revised by reducing any or all of them. If the Council, following the public hearing, decides to renew the BTBID, the Council shall adopt a resolution of formation.

District Modification Process

At the written request of the BTBID Owners' Association, the City Council may modify the existing *Management District Plan* after conducting one public hearing on the proposed modification. Visit Berkeley, the BTBID's Owners' Association, has submitted a letter to City Council requesting modification of the current BTBID's term to shorten the term from ten (10) years to eight (8) years. Submission of this written request allows the City Council to initiate proceedings to modify the current term of the BTBID.

The Property and Business Improvement District Law of 1994 requires the City to mail a copy of the Resolution of Intention to modify the BTBID to assessed lodging businesses within the BTBID. The resolution must be mailed at least ten (10) days before the public hearing on the modification. The Property and Business Improvement District Law of 1994 also requires the City to publish a copy of the Resolution of Intention to modify the BTBID in a newspaper of general circulation in the City. The resolution must be published once at least seven (7) days before the public hearing on the modification.

On May 6, 2025, City Council adopted a Resolution of Intention to Modify the existing BTBID, directing the City Clerk to schedule a public hearing on the proposed modification on June 24, 2025, concurrently with the public hearing to renew the district for ten years for a term of 2025-35. If the City Council, following the public hearing tonight, decides to modify the current BTBID, the City Council can adopt a resolution of modifying the existing *Management District Plan* to conclude in June 2025.

Contract for Distribution of Tourism BID Funds

Pending the modification of the existing term of the Tourism BID, and the successful renewal of the BTBID for 2025-35, council adopted Resolution No. 71,751–N.S. authorizing the City Manager to execute a contract and any necessary amendments with Visit Berkeley, the BTBID's Owners' Association and the City of Berkeley's Convention and Visitor's Bureau, for an amount not to exceed total Tourism BID collections for the term of the renewed BTBID, beginning on July 1, 2025 and concluding on June 30, 2035, so the city may pass through the collected assessments to the owners' association efficiently.

BACKGROUND

A Tourism BID is a special purpose Business Improvement District (BID) focused on the hotel sector. Tourism BIDs are formed by a local city government at the request of hotels and motels which stand to benefit from joint marketing and promotion activities directed by a separate non-profit corporation. In California, more than 112 communities have established Tourism BIDs, many of which are located in the Bay Area. Tourism BID funds are customized to fit the needs of each destination and allow for a wide range of services including marketing & sales promotions and cultural tourism programs.

In Berkeley, the convention and visitor's bureau, known as Visit Berkeley, established a Tourism BID in 2012 known as the BTBID for a term of five years and subsequently renewed the BTBID in 2017 for a term of ten years. This renewal of the BID continues the scope of services going forward, contemplates an increase in collections from 1% to 3% of room rates, and provides an updated *Management District Plan* which details the proposed BID services for the renewed BTBID and also includes the proposed boundary of the BTBID, a budget, and a proposed means of governance. The BTBID will continue to include all lodging businesses existing and, in the future, with five (5) rooms or more, available for public occupancy within the boundaries of the City. The renewed BTBID will have a ten (10) year life. The assessment will be implemented beginning July 1, 2025. Once per year beginning on the anniversary of district renewal

there is a 30-day period in which business owners paying more than fifty percent (50%) of the assessment may protest and begin proceedings to terminate the district.

The City will be responsible for collecting the assessment on a monthly basis from each assessed lodging business. The City shall forward the assessments to Visit Berkeley, which will have the responsibility of managing BTBID programs as provided in the *Management District Plan*. The City shall retain a fee equal to one percent (1%) of the amount of assessment collected to cover its costs of collection and administration.

ENVIRONMENTAL SUSTAINABILITY AND CLIMATE IMPACTS

None.

RATIONALE FOR RECOMMENDATION

Renewal of the BTBID will continue a stable funding source for tourism promotion and visitor resources in Berkeley. Modification of the current BTBID's term will allow the current BTBID's term to end before the renewed BTBID is implemented. This effort will continue to build on Berkeley's success as a visitor destination and will help to maintain and grow General Fund revenues generated by TOT and other visitor-generated sales taxes.

ALTERNATIVE ACTIONS CONSIDERED

None.

CONTACT PERSON

Eleanor Hollander, Office of Economic Development, (510) 981-7536

Attachments:

- 1: Resolution: Declaring Results of Majority Protest Proceedings and Renewing the Berkeley Tourism Business Improvement District, 2025-2035
Exhibit 1A: District Boundaries
- 2: Resolution: Modifying the Berkeley Tourism Business Improvement District for a term ending June 30, 2025
Exhibit 2A: Letter from Visit Berkeley Requesting Modification of the Management District Plan of the Berkeley Tourism Business Improvement District, March 28, 2025
- 3: Public Meeting, Berkeley City Council, Item 26, *Re-Establishment - Berkeley Tourism Business Improvement District*, June 3, 2025.
- 4: Public Hearing Notice

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

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BERKELEY DECLARING RESULTS OF MAJORITY PROTEST PROCEEDINGS AND RENEWING THE BERKELEY TOURISM BUSINESS IMPROVEMENT DISTRICT

WHEREAS, the Property and Business Improvement District Law of 1994, Streets and Highways Code §36600 et. seq., authorizes the City to renew business improvement districts upon petition by a weighted majority of the lodging business owners located within the boundaries of the district; and

WHEREAS, lodging business owners who will pay more than fifty percent (50%) of the proposed assessment, as weighted according to the amount of the assessment to be paid by the petitioner, within the boundaries of the Berkeley Tourism Business Improvement District (“BTBID”) have petitioned the City Council to renew the BTBID; and

WHEREAS, included with the petitions was a Management District Plan (“Plan”) summary that describes the proposed assessment to be levied on lodging businesses within the BTBID to pay for marketing and sales promotions and cultural tourism programs, and other improvements and activities set forth in the Plan; and

WHEREAS, the assessed lodging businesses within the BTBID will receive a specific benefit from the activities and improvements set forth in the Plan; and

WHEREAS, on May 6, 2025, at 6:00 PM at the School District Board Room located at 1231 Addison Street, Berkeley, CA 94702, the City Council adopted a Resolution of Intention, Resolution No. 71,749–N.S. (BTBID Renewal); and

WHEREAS, the public meeting and public hearing to consider the renewal of the BTBID have been properly noticed in accordance with Streets and Highways Code §36623; and

WHEREAS, on June 3, 2025, at 6:00 PM at the School District Board Room located at 1231 Addison Street, Berkeley, CA 94702, the City Council held a public meeting regarding the renewal of the BTBID, and the City Council heard and received objections and protests, if any, to the renewal of the BTBID and the levy of the proposed assessment; and

WHEREAS, on June 24, 2025, at 6:00 PM at the School District Board Room located at 1231 Addison Street, Berkeley, CA 94702, the City Council held a public hearing regarding the renewal of the BTBID, and the City Council heard and received all objections and protests, if any, to the renewal of the BTBID and the levy of the proposed assessment; and

WHEREAS, the City Clerk has determined that there was no majority protest. A majority protest is defined as written protests received from owners of businesses in the proposed BTBID which would pay fifty percent (50%) or more of the assessments proposed to be levied. Protests are weighted based on the assessment proposed to be levied on each lodging business; and

WHEREAS, the City bears the burden of proving by a preponderance of the evidence that an assessment imposed for a specific benefit or specific government service is not a tax, that the amount is no more than necessary to cover the costs to the City in providing the specific benefit or specific government service, and that the manner in which those costs are allocated to a payor bear a fair or reasonable relationship to the specific benefits or specific government services received by the payor.

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

1. The recitals set forth herein are adopted by the City Council as findings and they are true and correct.
2. The Berkeley Tourism Business Improvement District is hereby renewed for a ten (10) year term, beginning July 1, 2025, or as soon as possible thereafter, and ending ten (10) years from its start date, unless renewed pursuant to Streets and Highways Code § 36660.
3. The Management District Plan or “Plan” dated March 5, 2025, is hereby adopted and approved.
4. The activities to be provided to benefit lodging businesses in the district will be funded by the levy of the assessment. The revenue from the assessment levy shall not be used: to provide activities that directly benefit businesses outside the BTBID; to provide activities or improvements outside the BTBID; or for any purpose other than the purposes specified in this Resolution, the Resolution of Intention, and the Plan. Notwithstanding the foregoing, improvements and activities that must be provided outside the BTBID boundaries to create a specific benefit to the assessed businesses may be provided, but shall be limited to marketing or signage pointing to the BTBID.
5. The City Council finds as follows:
 - a) The activities funded by the assessment will provide a specific benefit to assessed businesses within the BTBID that is not provided to those not paying the assessment.
 - b) The assessment is a charge imposed for a specific benefit conferred or privilege granted directly to the payor that is not provided to those not charged, and which does not exceed the reasonable costs to the City of conferring the benefit or granting the privilege.
 - c) The assessment is a charge imposed for a specific government service or product provided directly to the payor that is not provided to those not charged, and which does not exceed the reasonable costs to the city of providing the service or product.
 - d) Assessments imposed pursuant to the BTBID are levied solely upon the assessed business, and the business owner is solely responsible for payment of the assessment when due. If the business owner chooses to collect any portion of the assessment from a transient, that portion shall be

specifically called out and identified for the transient in any and all communications from the business owner as the “BTBID Assessment” or “Tourism Assessment” as specified in the Plan.

6. The assessments levied for the BTBID shall be applied towards marketing and sales promotions and cultural tourism programs to market assessed lodging businesses as tourist, meeting and event destinations as set forth in the Plan.
7. Assessments levied on lodging businesses pursuant to this resolution shall be levied on the basis of benefit. Because the services provided are intended to increase room rentals, an assessment based on room rentals is the best measure of benefit.
8. Bonds shall not be issued to fund the BTBID.
9. The BTBID shall include all lodging businesses, existing and in the future, with five (5) rooms or more, available for public occupancy located within the boundaries of the City of Berkeley. A boundary map is attached hereto and incorporated herein by reference.
10. The assessments shall be used for the purposes set forth above and any funds remaining at the end of any year may be used in subsequent years in which the BTBID assessment is levied as long as they are used consistent with the requirements set forth herein.
11. The assessments to fund the activities and improvements for the BTBID will be collected by the City on a monthly basis, and in accordance with Streets and Highways Code §36631.
12. The City Council, through adoption of this Resolution and the Plan, has the right pursuant to Streets and Highways Code §36651, to identify the body that shall implement the proposed program, which shall be the Owners’ Association of the BTBID as defined in Streets and Highways Code §36612. The City Council has determined that Visit Berkeley shall continue to be the BTBID Owners’ Association.
13. Visit Berkeley, pursuant to Streets and Highways Code §36650, shall cause to be prepared a report for each fiscal year, except the first year, for which assessments are to be levied and collected to pay the costs of the improvement and activities

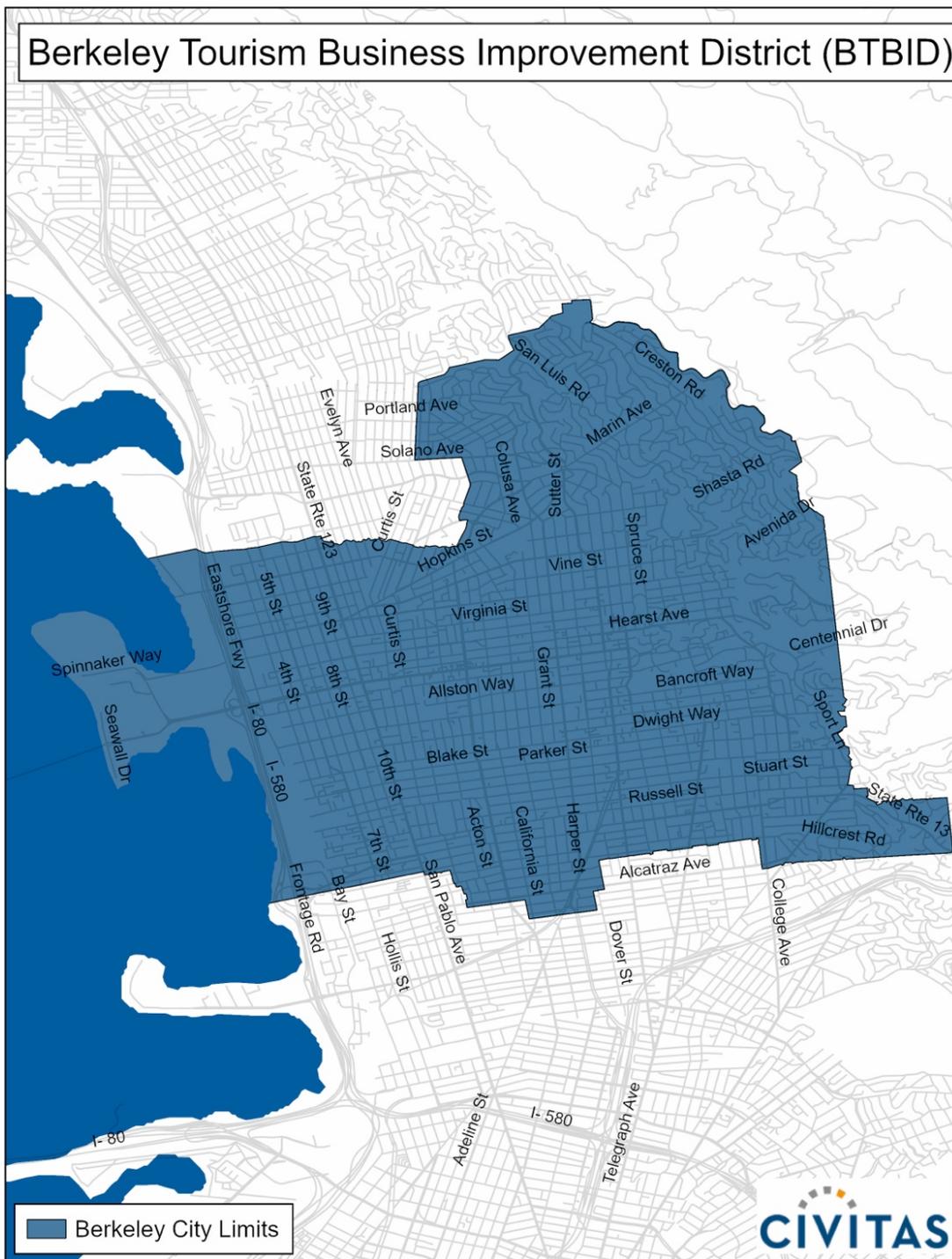
described in the report. The first report shall be due after the first year of operation of the BTBID.

14. The BTBID renewed pursuant to this resolution will be subject to any amendments to the Property and Business Improvement District Law of 1994 (California Streets and Highways Code §36600 et. seq.).
15. The City Clerk, or their designee, is directed to take all necessary actions to complete the establishment of the BTBID and to levy the assessments.
16. This Resolution shall take effect immediately upon its adoption by the City Council.

Exhibit

1A: District Boundaries

EXHIBIT 1A: District Boundaries



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

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BERKELEY MODIFYING THE MANAGEMENT DISTRICT PLAN OF THE BERKELEY TOURISM BUSINESS IMPROVEMENT DISTRICT

WHEREAS, on April 25, 2017, the City Council of the City of Berkeley (“City Council”) adopted Resolution No. 67-926-N.S. declaring the results of the majority protest proceedings and renewing the Berkeley Tourism Business Improvement District (“BTBID”); and

WHEREAS, the Property and Business Improvement District Law of 1994, Streets and Highways Code §36600 et seq., allows cities to modify the Management District Plan (“Plan” or “MDP”) of a district at the request of the Owners’ Association; and

WHEREAS, the BTBID Owners’ Association, Visit Berkeley, has requested modification of the BTBID Plan; and

WHEREAS, on May 6, 2025, at 6:00 PM at the School District Board Room located at 1231 Addison Street, Berkeley, CA 94702, the City Council adopted a Resolution of Intention to Modify the Management District Plan of the BTBID, No. 71,750–N.S. (“Resolution of Intention”); and

WHEREAS, the Resolution of Intention was properly and published in accordance with Streets and Highways Code Section 36636; and

WHEREAS, a public hearing on the proposed modification was held on June 24, 2025, at 6:00 PM at the School District Board Room located at 1231 Addison Street, Berkeley, CA 94702, and the City Council heard and received objections and protests, if any, to the modification of the BTBID Plan.

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

1. The recitals set forth herein are true and correct.
2. The City Council hereby modifies the BTBID MDP. The modification of the BTBID MDP will reduce the term of the BTBID from ten (10) years to eight (8) years, so that the term of the BTBID ends on June 30, 2025.
3. This resolution shall take effect immediately upon its adoption by the City Council.

EXHIBIT 2A: Letter from Visit Berkeley Requesting Modification of the Management District Plan of the Berkeley Tourism Business Improvement District



March 28, 2025

Honorable Mayor & Councilmembers

City of Berkeley

2180 Milvia Street

Berkeley, CA 94704

Re: Berkeley Tourism Business Improvement District

Honorable Mayor and Councilmembers:

As the Berkeley Tourism Businesses Improvement District (BTBID) Owners' Association, Visit Berkeley hereby requests modification of the BTBID Management District Plan enacted in 2012 and most recently renewed in 2017.

Specifically, we request the term of the BTBID be modified. The current term is set to end in two years, effective through October 31, 2027. We request shortening the BTBID's term so that it ends on June 30, 2025, to coincide with the City's Fiscal year and the beginning of our new BTBID set to start July 1, 2025.

We ask that you consider this item at your May 6, 2025, meeting. If you have any questions or comments, please contact me at 510-549-7040.

Thank you,

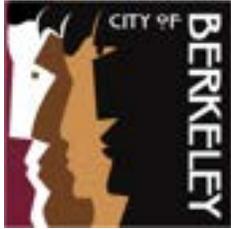
A handwritten signature in black ink, appearing to read "Jeffrey Church", is written over a faint, larger version of the signature.

Jeffrey Church, President & CEO

Visit Berkeley

Visit Berkeley Convention & Visitors Bureau and Film Office
2030 Addison St., #102, Berkeley, CA 94704 P: 510.549.7040

www.visitberkeley.com



Office of the City Manager

ACTION CALENDAR
June 3, 2025

To: Honorable Mayor and Members of the City Council

From: Paul Buddenhagen, City Manager

Submitted by: Eleanor Hollander, Manager, Office of Economic Development

Subject: Re-Establishment - Berkeley Tourism Business Improvement District

RECOMMENDATION

Conduct a *public meeting* to review and discuss the intention to renew the Berkeley Tourism Business Improvement District (BTBID) for ten (10) years starting July 1, 2025 (hereafter, "BTBID", "Tourism BID", "BID" or "the District"). On May 6, 2025 Council adopted Resolution No. 71,749–N.S., which states the intention to renew the Tourism BID and directed the City Clerk to schedule a *public meeting* on June 3, 2025, and a public hearing on June 24, 2025 to consider the renewal of the District. Per state law, a *public meeting* is required at which local officials allow public testimony regarding the proposed new assessment in addition to the noticed *public hearing* at which the legislative body proposes to enact the assessment.

FISCAL IMPACTS OF RECOMMENDATION

The proposed renewed BTBID would place a three percent (3%) assessment on short-term sleeping room rental revenue on all lodging businesses, existing and in the future, with five (5) rooms or more, available for public occupancy within the boundaries of the City. Lodging businesses may include, but are not limited to, any hotel, inn, tourist home or house, motel, studio hotel, bachelor hotel, or other similar structure or portion thereof.

The Resolution of Intention (NO. 71,749-N.S.) to renew the Berkeley Tourism Business Improvement District (BTBID), was adopted by the Berkeley City Council on May 6, 2025 (Attachment 1) with an accompanying staff report detailing the Tourism BID renewal process (Attachment 2). The total BTBID annual assessment budget for the initial year of its ten (10) year operation is anticipated to be approximately \$2,221,000 in FY2026. If renewed, the BTBID would be in effect for ten (10) years and a similar assessment budget is expected to apply to subsequent years, though the total assessment amounts would vary each year based on the revenue generated by the lodging businesses.

The BTBID Management District Plan (Attachment 2, Exhibit 5) designates that the

funds generated by the BTBID are to be used for marketing & sales promotions, cultural tourism programs, and other specific lodging business-serving activities. One percent (1%) of the funds would be retained annually by the City for its administrative services in collecting the assessments and contracting for the BTBID services.

Because the BTBID programs are designed to bring more visitors to the City, the program may result in an increase in transient occupancy tax (TOT) collections. There may also be an increase in travel-related sales tax revenues as a result of higher hotel occupancies. If the proposed BTBID is renewed, the City will be responsible for collecting and forwarding assessment funds. Annual assessment funds will be deposited into Tourism BID Fund 781-21-208-251-0000-000-000-412110 and expended from fund 781-21-208-251-0000-000-446-636110.

CURRENT SITUATION AND ITS EFFECTS

The Property and Business Improvement District Law of 1994, requires specific actions to create or expand a tourism or property-based improvement district including requiring Council to conduct at least one *public meeting* at which local officials allow public testimony regarding the proposed new assessment in addition to the noticed *public hearing* at which the legislative body proposes to enact the assessment.

On May 6, 2025 Council adopted Resolution No. 71,749–N.S., which states the intention to renew the Tourism BID and directed the City Clerk to schedule a public meeting on June 3, 2025, and a public hearing on June 24, 2025 to consider the renewal of the District. The City Clerk’s Office gave joint notice of both by mailing Resolution No. 71,749-N.S. to all affected lodging establishments in the proposed District.

In Berkeley, the convention and visitor's bureau, known as Visit Berkeley, established a Tourism BID in 2012 known as the BTBID for a term of five years and subsequently renewed the BTBID in 2017 for a term of ten years. The proposed Tourism BID continues the same scope of services going forward, contemplates an increase in collections from 1% to 3% of room rates, and provides an updated *Management District Plan* which details the proposed BID services for the renewed BTBID and also includes the proposed boundary of the BTBID, a budget, and a proposed means of governance.

The BTBID will continue to include all lodging businesses existing and, in the future, with five (5) rooms or more, available for public occupancy within the boundaries of the City. The renewed BTBID will have a ten (10) year life. The assessment will be implemented beginning July 1, 2025. Once per year beginning on the anniversary of district renewal there is a 30-day period in which business owners paying more than fifty percent (50%) of the assessment may protest and begin proceedings to terminate the district. The City will be responsible for collecting the assessment on a monthly basis from each assessed lodging business. The City shall forward the assessments to Visit Berkeley, which will have the responsibility of managing BTBID programs as provided in the Management District Plan. The City shall retain a fee equal to one percent (1%) of the amount of assessment collected to cover its costs of collection and administration.

BACKGROUND

A Tourism BID is a special purpose Business Improvement District (BID) focused on the hotel sector. Tourism BIDs are formed by a local city government at the request of hotels and motels which stand to benefit from joint marketing and promotion activities directed by a separate non-profit corporation. Renewal of the BTBID will continue a stable funding source for tourism promotion and visitor resources in Berkeley.

RATIONALE FOR RECOMMENDATION

This public meeting is required by California Government Code's Property and Business Improvement District Law of 1994.

ALTERNATIVE ACTIONS CONSIDERED

None.

CONTACT PERSON

Eleanor Hollander, Office of Economic Development, 510-981-7536

Attachments:

1. Resolution No. 71, 749-N.S. - Resolution of Intention to Renew the Berkeley Tourism Business Improvement District (2025), Adopted Berkeley City Council, May 6, 2025.

2. Berkeley City Council, *Re-Establishment of the Berkeley Tourism Business Improvement District*, Item 2, May 6, 2025

Attachment 1

RESOLUTION NO. 71,749-N.S.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BERKELEY DECLARING ITS INTENTION TO RENEW THE BERKELEY TOURISM BUSINESS IMPROVEMENT DISTRICT (BTBID) AND FIXING THE TIME AND PLACE OF A PUBLIC MEETING AND A PUBLIC HEARING THEREON AND GIVING NOTICE THEREOF

WHEREAS, the City of Berkeley (City) created the BTBID on September 18, 2012 by Resolution No. 65,899-N.S.; and

WHEREAS, the BTBID was subsequently renewed on April 25, 2017 by Resolution No. 67-926-N.S.; and

WHEREAS, the BTBID was renewed for a ten (10) year term which ends on June 30, 2027, and the BTBID Owner's Association, Visit Berkeley, has requested the City Council to modify the Management District Plan (Plan) of the BTBID so that the current BTBID term ends June 30, 2025; and

WHEREAS, the Property and Business Improvement District Law of 1994, Streets and Highways Code § 36600 et seq., authorizes the City to renew business improvement districts for the purposes of promoting tourism; and

WHEREAS, Visit Berkeley, lodging business owners, and representatives from the City have met to consider the renewal of the BTBID; and

WHEREAS, Visit Berkeley has drafted a Plan which sets forth the proposed boundary of the BTBID, a service plan and budget, and a proposed means of governance; and

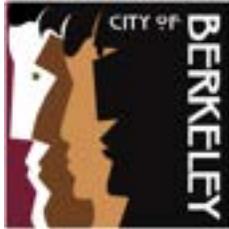
WHEREAS, lodging business which will pay more than fifty percent (50%) of the assessment under the BTBID have petitioned the City Council to renew the BTBID.

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL THAT:

1. The recitals set forth herein are true and correct.
2. The City Council finds that lodging businesses that will pay more than fifty percent (50%) of the assessment proposed in the Plan have signed and submitted petitions in support of the renewal of the BTBID. The City Council accepts the petitions and adopts this Resolution of Intention to renew the BTBID and to levy an assessment on certain lodging businesses within the BTBID boundaries in accordance with the Property and Business Improvement District Law of 1994.
3. The City Council finds that the Plan satisfies all requirements of Streets and Highways Code § 36622.
4. The City Council declares its intention to renew the BTBID and to levy and collect assessments on lodging businesses within the BTBID boundaries pursuant to the Property and Business Improvement District Law of 1994.

5. The BTBID shall include all lodging businesses, existing and in the future, with five (5) rooms or more, available for public occupancy within the boundaries of the City, as shown in the map attached as Exhibit A.
6. The name of the district shall be Berkeley Tourism Business Improvement District.
7. The annual assessment rate is three percent (3%) of gross short-term sleeping room rental revenue. Based on the benefit received, assessments will not be collected on: stays of more than thirty (30) consecutive days; and stays by any officer or employee of a government who is exempt by express provision of federal international treaty.
8. The assessments levied for the BTBID shall be applied toward marketing & sales promotions and cultural tourism programs to market assessed lodging businesses in the City as tourist, meeting, and event destinations, as described in the Plan. Funds remaining at the end of any year may be used in subsequent years in which BTBID assessments are levied as long as they are used consistent with the requirements of this resolution, the resolution of formation, and the Plan.
9. Subject to completion of the modification of the current BTBID term, the renewed BTBID will have a ten (10) year life, beginning July 1, 2025 or as soon as possible thereafter, and ending ten (10) years from its start date, unless renewed pursuant to Streets and Highways Code § 36660.
10. Bonds shall not be issued to fund the BTBID.
11. The time and place for the public meeting to hear testimony on renewing the BTBID and levying assessments are set for June 3, 2025, at 6:00 PM, or as soon thereafter as the matter may be heard, at the School District Board Room located at 1231 Addison Street, Berkeley, CA 94702.
12. The time and place for the public hearing to renew the BTBID and the levy of assessments are set for June 24, 2025, at 6:00 PM, or as soon thereafter as the matter may be heard, at the School District Board Room located at 1231 Addison Street, Berkeley, CA 94702. The City Clerk is directed to provide written notice to the lodging businesses subject to assessment of the date and time of the meeting and hearing, and to provide that notice as required by Streets and Highways Code § 36623, no later than May 9, 2025.
13. At the public meeting and hearing the testimony of all interested persons for or against the renewal of the BTBID may be received. If at the conclusion of the public hearing, there are of record written protests by the owners of the lodging businesses within the proposed BTBID that will pay fifty percent (50%) or more of the estimated total assessment of the entire BTBID, no further proceedings to renew the BTBID shall occur for a period of one year.
14. The complete Plan is on file with the City Clerk and may be reviewed upon request.
15. This resolution shall take effect immediately upon its adoption by the City Council.

Exhibit A: District Boundaries



Office of the City Manager

CONSENT CALENDAR
May 6, 2025

To: Honorable Mayor and Members of the City Council

From: Paul Buddenhagen, City Manager

Submitted by: Eleanor Hollander, Economic Development Manager

Subject: Re-Establishment of the Berkeley Tourism Business Improvement District

RECOMMENDATION

1. Adopt a Resolution declaring the City Council's intention to renew the Berkeley Tourism Business Improvement District (BTBID) for ten (10) years starting July 1, 2025, and directing the City Manager to schedule a public meeting on June 3, 2025 and a public hearing on June 24, 2025 to renew the BTBID.
2. Adopt a Resolution declaring the City Council's intention to modify the existing BTBID to end on June 30, 2025, shortening the existing BTBID's term from ten (10) years to eight (8) years and directing the City Manager to schedule a public hearing on June 24, 2025 on modification of the BTBID Management District Plan (Plan).
3. Adopt a Resolution authorizing the City Manager to execute a contract and any necessary amendments with Visit Berkeley, the BTBID's Owners' Association and the City of Berkeley's Convention and Visitor's Bureau, for an amount not to exceed total Tourism BID collections for the term of the renewed BTBID, beginning on July 1, 2025 and concluding on June 30, 2035.

SUMMARY

The Berkeley Tourism Business Improvement District or, BTBID, is a benefit assessment district created in 2012 and subsequently renewed in 2017, to fund marketing and sales promotion efforts for assessed lodging businesses in Berkeley with five rooms or more. Lodging business owners decided to pursue renewal of the BTBID in order to maintain a revenue source devoted to marketing the City of Berkeley (City) as a destination for tourism, meetings, and events. The City contracts with Visit Berkeley, the BTBID's Owners' Association, which also functions as the City's Convention and Visitor's Bureau to implement the activities funded by the BTBID. These activities are described fully in the BTBID Management District Plan and are incorporated as Attachment 5.

The BTBID is proposed to be renewed pursuant to the Property and Business Improvement District Law of 1994, Streets and Highways Code section 36600 et. seq. If

renewed, the BTBID District would generate funding annually—approximately \$2,221,000 in FY 2026—for the promotion of travel and tourism specific to Berkeley.

Staff recommends that the City Council adopt the attached Resolution of Intention to Renew the BTBID, directing the City Manager to schedule a public meeting on June 3, 2025, and a public hearing on June 24, 2025, on the renewal and the levy of assessments on lodging businesses with five rooms or more within the boundaries of the City of Berkeley.

In addition, staff and the BTBID's Owners' Association seek to modify the existing BTBID to shorten the term by two years to conclude on June 30, 2025. The purpose of the modification is to align the BTBID's term with the renewal term, implementing the annual assessment rate of 3% of gross short-term sleeping room rental revenue. Staff recommends that the City Council adopt the attached Resolution of Intention to Modify the BTBID, directing the City Manager to schedule a public hearing on June 24, 2025 on the modification of the Plan.

Finally, staff recommends that council adopt a Resolution authorizing the City Manager to execute a contract and any necessary amendments with Visit Berkeley, the BTBID's Owners' Association and the City of Berkeley's Convention and Visitor's Bureau, for an amount not to exceed total Tourism BID collections for the term of the renewed BTBID, beginning on July 1, 2025, and concluding on June 30, 2035.

FISCAL IMPACTS OF RECOMMENDATION

The proposed renewed BTBID would place a three percent (3%) assessment on short-term sleeping room rental revenue on all lodging businesses, existing and in the future, with five (5) rooms or more, available for public occupancy within the boundaries of the City. Lodging businesses may include, but are not limited to, any hotel, inn, tourist home or house, motel, studio hotel, bachelor hotel, or other similar structure or portion thereof.

The total BTBID annual assessment budget for the initial year of its ten (10) year operation is anticipated to be approximately \$2,221,000 in FY2026. If renewed, the BTBID would be in effect for ten (10) years and a similar assessment budget is expected to apply to subsequent years, though the total assessment amounts would vary each year based on the revenue generated by the lodging businesses.

The *Management District Plan* (Attachment 5) designates that the funds generated by the BTBID are to be used for marketing & sales promotions, cultural tourism programs, and other specific lodging business-serving activities. One percent (1%) of the funds would be retained annually by the City for its administrative services in collecting the assessments and contracting for the BTBID services. Because the BTBID programs are designed to bring more visitors to the City, the program should continue to result in an increase in transient occupancy tax (TOT) collections. There may also be an increase in travel-related sales tax revenues as a result of higher hotel occupancies.

These Resolutions will have minor administrative impact. The City Manager will be directed to mail notice of hearings and a copy of the Resolution of Intention to all lodging businesses within the proposed BTBID. If the proposed BTBID is renewed, the City will be responsible for collecting and forwarding assessment funds and will be reimbursed for the cost of this service. Annual assessment funds will be deposited into Tourism BID Fund 781-21-208-251-0000-000-000-412110 and expended from fund 781-21-208-251-0000-000-446-636110.

CURRENT SITUATION AND ITS EFFECTS

The BTBID is a benefit assessment district created in 2012 (Resolution No. 65,899–N.S.) and subsequently renewed in 2017 (Resolution No 67-926-N.S.) to provide marketing & sales promotions for assessed lodging businesses. The proposed renewed BTBID includes all lodging businesses, existing and in the future, with five (5) rooms or more, available for public occupancy within the boundaries of the City. The proposed renewed BTBID would place a three percent (3%) assessment on short-term sleeping room rental revenue on all lodging businesses. Lodging business owners decided to pursue renewal of the BTBID and increase the assessment from 1% to 3% in order to maintain a revenue source devoted to marketing the City as a destination for tourism, meetings, and events and to add a cultural resources component to their programming as outlined on page 8 of the *BTBID Management District Plan* (Attachment 5).

The current BTBID was renewed in 2017 for a ten (10) year term, beginning July 1, 2017, through June 30, 2027. Visit Berkeley, the BTBID's Owners' Association, has requested that the current BTBID term be modified to shorten the ten (10) year term to eight (8) years. The process to modify the current BTBID is set to be completed concurrently with the completion of BTBID renewal. That is, the proposed modified BTBID's term will expire on June 30, 2025, and the renewed BTBID will begin on July 1, 2025, with no break in service. The purpose of the modification is to align the BTBID's term with the renewed term, while simultaneously implementing the annual assessment rate of three percent (3%) of gross short-term sleeping room rental revenue.

The Tourism BID assessment would continue to be collected from the assessed businesses by the City concurrently with Transient Occupancy Tax, or TOT, which remains at 1%. The City would continue to contract with Visit Berkeley to act as the Owners' Association of the BTBID and provide services with the BTBID funds collected. The *BTBID Management District Plan* designates that the funds would be used for marketing & sales promotions and cultural tourism programs. The BTBID Management District Plan also calls for City oversight of Visit Berkeley's management of BTBID funds, including the yearly submission of an annual report and proposed budget for the following Fiscal Year, typically presented to City Council in late spring/early summer prior to the commencement of the fiscal year on July 1.

Renewal Process

The BTBID Owners' Association, Visit Berkeley, began the process of renewing the BTBID in January 2025 by circulating a petition of all eligible lodging establishments. In March 2025, the Berkeley City Clerk certified that the City has received written petitions

signed by lodging business owners in the proposed district who will pay more than fifty percent (50%) of the assessments proposed to be levied (Attachment 4) with the assistance of the City's Finance Department. This majority petition allows the City Council to initiate proceedings for district renewal. The Adoption of the attached Resolution is the first City Council action required to renew the BTBID.

Following the adoption of the Resolution of Intention to renew the district, the City Council must also schedule and hold a public meeting, where the City Council must allow public testimony regarding the proposed assessment. Finally, the City Council must schedule and hold a public hearing where any protests may be received. If at the time of the public hearing, written protests have not been received from businesses that will pay fifty percent or more of the proposed assessments, the City Council can adopt a resolution renewing the BTBID. Staff recommends that the City Council adopt the Resolution of Intention to renew the BTBID, directing the City Manager to schedule a public meeting for June 3, 2025, and the final public hearing for June 24, 2025.

District Modification Process

At the written request of the BTBID Owners' Association, the City Council may modify the existing *Management District Plan* after conducting one public hearing on the proposed modification. Visit Berkeley, the BTBID's Owners' Association, has submitted a letter to City Council requesting modification of the current BTBID's term to shorten the term from ten (10) years to eight (8) years (Attachment 2: Exhibit A). Submission of this written request allows the City Council to initiate proceedings to modify the current term of the BTBID.

The Property and Business Improvement District Law of 1994 requires the City to mail a copy of the Resolution of Intention to modify the BTBID to assessed lodging businesses within the BTBID. The resolution must be mailed at least ten (10) days before the public hearing on the modification. The Property and Business Improvement District Law of 1994 also requires the City to publish a copy of the Resolution of Intention to modify the BTBID in a newspaper of general circulation in the City. The resolution must be published once at least seven (7) days before the public hearing on the modification.

Staff recommends that the City Council adopt the attached Resolution of Intention to Modify the BTBID, directing the City Manager to schedule a public hearing on the proposed modification on June 24, 2025, concurrently with the public hearing to renew the district for ten years for a term of 2025-35. If the City Council, following the public hearing, decides to modify the current BTBID, the City Council can adopt a resolution of modifying the existing *Management District Plan* to conclude on June 24, 2025.

Contract for Distribution of Tourism BID Funds

Pending the modification of the existing term of the Tourism BID, and the successful renewal of the BTBID for 2025-35, staff recommends that council adopt a Resolution authorizing the City Manager to execute a contract and any necessary amendments with Visit Berkeley, the BTBID's Owners' Association and the City of Berkeley's Convention and Visitor's Bureau, for an amount not to exceed total Tourism BID

collections for the term of the renewed BTBID, beginning on July 1, 2025 and concluding on June 30, 2035, so the city may “pass through” the collected assessments to the owners association smoothly.

BACKGROUND

A Tourism BID is a special purpose Business Improvement District (BID) focused on the hotel sector. Tourism BIDs are formed by a local city government at the request of hotels and motels which stand to benefit from joint marketing and promotion activities directed by a separate non-profit corporation. In California, more than 112 communities have established Tourism BIDs, many of which are located in the Bay Area. Tourism BID funds are customized to fit the needs of each destination and allow for a wide range of services including marketing & sales promotions and cultural tourism programs.

In Berkeley, the convention and visitor’s bureau, known as Visit Berkeley, established a Tourism BID in 2012 known as the BTBID for a term of five years and subsequently renewed the BTBID in 2017 for a term of ten years. This renewal of the BID continues the same scope of services going forward, contemplates an increase in collections from 1% to 3% of room rates, and provides an updated *Management District Plan* (Attachment 4) which details the proposed BID services for the renewed BTBID and also includes the proposed boundary of the BTBID, a budget, and a proposed means of governance. The BTBID will continue to include all lodging businesses existing and, in the future, with five (5) rooms or more, available for public occupancy within the boundaries of the City. The renewed BTBID will have a ten (10) year life. The assessment will be implemented beginning July 1, 2025. Once per year beginning on the anniversary of district renewal there is a 30-day period in which business owners paying more than fifty percent (50%) of the assessment may protest and begin proceedings to terminate the district.

The City will be responsible for collecting the assessment on a monthly basis from each assessed lodging business. The City shall forward the assessments to Visit Berkeley, which will have the responsibility of managing BTBID programs as provided in the *Management District Plan*. The City shall retain a fee equal to one percent (1%) of the amount of assessment collected to cover its costs of collection and administration.

ENVIRONMENTAL SUSTAINABILITY AND CLIMATE IMPACTS

There are no identifiable environmental effects, climate impacts, or sustainability opportunities associated with the subject of this report.

RATIONALE FOR RECOMMENDATION

Renewal of the BTBID will continue a stable funding source for tourism promotion and visitor resources in Berkeley. Modification of the current BTBID’s term will allow the current BTBID’s term to end before the renewed BTBID is implemented. This effort will continue to build on Berkeley’s success as a visitor destination and will help to maintain and grow General Fund revenues generated by TOT and visitor-generated sales taxes.

ALTERNATIVE ACTIONS CONSIDERED

None.

CONTACT PERSON

Eleanor Hollander, Office of Economic Development, (510) 981-7536

Attachments:

1: Resolution: Resolution of the City Council of the City of Berkeley Declaring its Intention to Renew the Berkeley Tourism Business Improvement District and Fixing the Time and Place of a Public Meeting and a Public Hearing Thereon and Giving Notice Thereof

EXHIBIT A: District Boundaries

2: Resolution: Resolution of the City Council of the City of Berkeley Declaring its Intention to Modify the Berkeley Tourism Business Improvement District and Public Hearing Notices

EXHIBIT A: Letter from Visit Berkeley Requesting Modification of the Management District Plan for the Berkeley Tourism Business Improvement District

3: Resolution: Contract with Visit Berkeley to Implement the Berkeley Tourism Business Improvement District

4: Tourism BID Petition Certification, March 2025

5: Berkeley Tourism Business Improvement District *Management District Plan, 2025*

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

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BERKELEY DECLARING ITS INTENTION TO RENEW THE BERKELEY TOURISM BUSINESS IMPROVEMENT DISTRICT (BTBID) AND FIXING THE TIME AND PLACE OF A PUBLIC MEETING AND A PUBLIC HEARING THEREON AND GIVING NOTICE THEREOF

WHEREAS, the City of Berkeley (City) created the BTBID on September 18, 2012 by Resolution No. 65,899-N.S.; and

WHEREAS, the BTBID was subsequently renewed on April 25, 2017 by Resolution No. 67-926-N.S.; and

WHEREAS, the BTBID was renewed for a ten (10) year term which ends on June 30, 2027, and the BTBID Owner's Association, Visit Berkeley, has requested the City Council to modify the Management District Plan (Plan) of the BTBID so that the current BTBID term ends June 30, 2025; and

WHEREAS, the Property and Business Improvement District Law of 1994, Streets and Highways Code § 36600 et seq., authorizes the City to renew business improvement districts for the purposes of promoting tourism; and

WHEREAS, Visit Berkeley, lodging business owners, and representatives from the City have met to consider the renewal of the BTBID; and

WHEREAS, Visit Berkeley has drafted a Plan which sets forth the proposed boundary of the BTBID, a service plan and budget, and a proposed means of governance; and

WHEREAS, lodging business which will pay more than fifty percent (50%) of the assessment under the BTBID have petitioned the City Council to renew the BTBID.

NOW THEREFORE, BE IT RESOLVED BY THE BERKELEY CITY COUNCIL THAT:

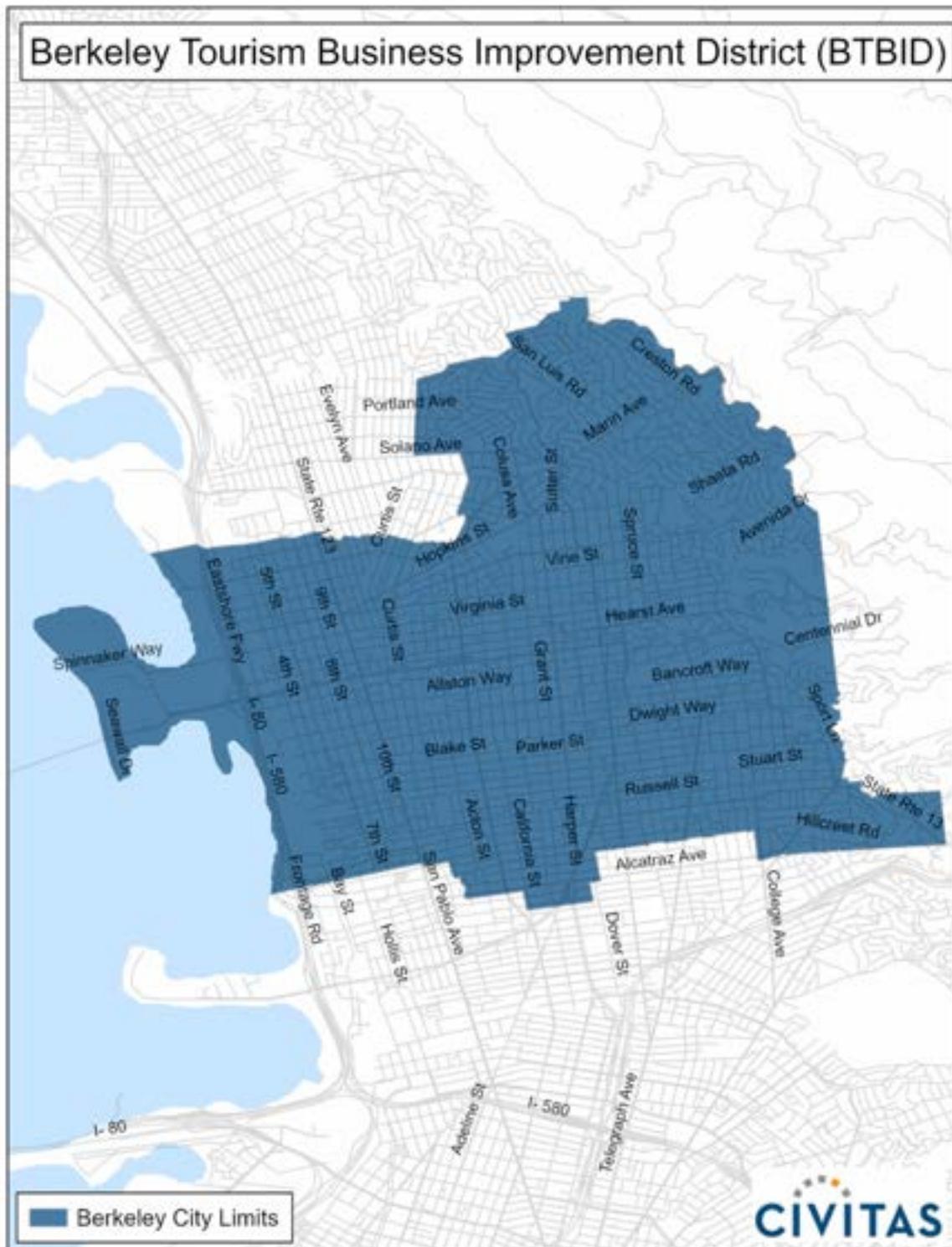
1. The recitals set forth herein are true and correct.
2. The City Council finds that lodging businesses that will pay more than fifty percent (50%) of the assessment proposed in the Plan have signed and submitted petitions in support of the renewal of the BTBID. The City Council accepts the petitions and adopts this Resolution of Intention to renew the BTBID and to levy an assessment on certain lodging businesses within the BTBID boundaries in accordance with the Property and Business Improvement District Law of 1994.
3. The City Council finds that the Plan satisfies all requirements of Streets and Highways Code § 36622.
4. The City Council declares its intention to renew the BTBID and to levy and collect assessments on lodging businesses within the BTBID boundaries pursuant to the Property and Business Improvement District Law of 1994.

5. The BTBID shall include all lodging businesses, existing and in the future, with five (5) rooms or more, available for public occupancy within the boundaries of the City, as shown in the map attached as Exhibit A.
6. The name of the district shall be Berkeley Tourism Business Improvement District
7. The annual assessment rate is three percent (3%) of gross short-term sleeping room rental revenue. Based on the benefit received, assessments will not be collected on: stays of more than thirty (30) consecutive days; and stays by any officer or employee of a government who is exempt by express provision of federal international treaty.
8. The assessments levied for the BTBID shall be applied toward marketing & sales promotions and cultural tourism programs to market assessed lodging businesses in the City as tourist, meeting, and event destinations, as described in the Plan. Funds remaining at the end of any year may be used in subsequent years in which BTBID assessments are levied as long as they are used consistent with the requirements of this resolution, the resolution of formation, and the Plan.
9. Subject to completion of the modification of the current BTBID term, the renewed BTBID will have a ten (10) year life, beginning July 1, 2025 or as soon as possible thereafter, and ending ten (10) years from its start date, unless renewed pursuant to Streets and Highways Code § 36660.
10. Bonds shall not be issued to fund the BTBID.
11. The time and place for the public meeting to hear testimony on renewing the BTBID and levying assessments are set for June 3, 2025, at 6:00 PM, or as soon thereafter as the matter may be heard, at the School District Board Room located at 1231 Addison Street, Berkeley, CA 94702.
12. The time and place for the public hearing to renew the BTBID and the levy of assessments are set for June 24, 2025, at 6:00 PM, or as soon thereafter as the matter may be heard, at the School District Board Room located at 1231 Addison Street, Berkeley, CA 94702. The City Manager is directed to provide written notice to the lodging businesses subject to assessment of the date and time of the meeting and hearing, and to provide that notice as required by Streets and Highways Code § 36623, no later than May 9, 2025.
13. At the public meeting and hearing the testimony of all interested persons for or against the renewal of the BTBID may be received. If at the conclusion of the public hearing, there are of record written protests by the owners of the lodging businesses within the proposed BTBID that will pay fifty percent (50%) or more of the estimated total assessment of the entire BTBID, no further proceedings to renew the BTBID shall occur for a period of one year.
14. The complete Plan is on file with the City Clerk and may be reviewed upon request.
15. This resolution shall take effect immediately upon its adoption by the City Council.

Exhibit

A: District Boundaries

EXHIBIT A
District Boundaries



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

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BERKELEY DECLARING ITS INTENTION TO MODIFY THE BERKELEY TOURISM BUSINESS IMPROVEMENT DISTRICT

WHEREAS, on April 25, 2017 the City Council of the City of Berkeley (City Council) adopted Resolution No. 67-926-N.S. declaring the results of the majority protest proceedings and renewing the Berkeley Tourism Business Improvement District (BTBID); and

WHEREAS, the Property and Business Improvement District Law of 1994, Streets and Highways Code §36600 et seq., allows cities to modify the Management District Plan (Plan) of a District at the request of the Owners' Association; and

WHEREAS, the BTBID Owners' Association, Visit Berkeley, has requested modification of the Plan.

NOW THEREFORE, BE IT RESOLVED BY THE BERKELEY CITY COUNCIL THAT:

1. The recitals set forth herein are true and correct.
2. The City Council declares its intention to modify the BTBID Plan.
3. The proposed modification of the BTBID Plan will reduce the term of the BTBID from ten (10) years to eight (8) years, with a modified ending date of June 30, 2025.
4. The time and place for a public hearing on modification of the BTBID Plan are set for 6:00 PM or as soon thereafter as the matter may be heard on June 24, 2025 at School District Board Room located at 1231 Addison Street, Berkeley, CA 94702.
5. This resolution shall take effect immediately upon its adoption by the City Council.

Exhibit

A: Letter from Visit Berkeley Requesting Modification of the Management District Plan of the Berkeley Tourism Business Improvement District

EXHIBIT A: Letter from Visit Berkeley Requesting Modification of the Management District Plan for the Berkeley Tourism Business Improvement District



March 28, 2025

Honorable Mayor & Councilmembers
City of Berkeley
2180 Milvia Street
Berkeley, CA 94704

Re: Berkeley Tourism Business Improvement District

Honorable Mayor and Councilmembers:

As the Berkeley Tourism Businesses Improvement District (BTBID) Owners' Association, Visit Berkeley hereby requests modification of the BTBID Management District Plan enacted in 2012 and most recently renewed in 2017.

Specifically, we request the term of the BTBID be modified. The current term is set to end in two years, effective through October 31, 2027. We request shortening the BTBID's term so that it ends on June 30, 2025, to coincide with the City's Fiscal year and the beginning of our new BTBID set to start July 1, 2025.

We ask that you consider this item at your May 6, 2025, meeting. If you have any questions of comments, please contact me at 510-549-7040.

Thank you,

A handwritten signature in black ink, appearing to read "Jeffrey Church", is written over a faint, larger version of the signature.

Jeffrey Church, President & CEO

Visit Berkeley

Visit Berkeley Convention & Visitors Bureau and Film Office
2030 Addison St., #102, Berkeley, CA 94704 P: 510.549.7040

www.visitberkeley.com

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

AUTHORIZING THE CITY MANAGER TO EXECUTE A CONTRACT WITH *VISIT BERKELEY* THE OWNERS' ASSOCIATION OF THE BERKELEY TOURISM BUSINESS IMPROVEMENT DISTRICT (BTBID), TO IMPLEMENT THE BERKELEY TOURISM BUSINESS IMPROVEMENT DISTRICT FOR THE TERM OF THE RESTABLISHED TOURISM BUSINESS IMPROVEMENT DISTRICT

WHEREAS, Visit Berkeley (VB) has proven to be an effective partner with the City of Berkeley in managing the existing Berkeley Tourism Business Improvement District (BTBID) and implementing hotel and tourism marketing and promotions; and

WHEREAS, Visit Berkeley is the single private sector organization that is taking comprehensive action to improve the economic vitality of the hotel sector across Berkeley, as reflected in Visit Berkeley's current stewardship of the established Berkeley Tourism Business Improvement District; and

WHEREAS, Visit Berkeley, the convention and visitor's bureau for the City of Berkeley, has declared its intention to renew the Berkeley Tourism Business Improvement District (BTBID) for ten (10) years starting July 1, 2025; and

WHEREAS, Visit Berkeley functions as the Owners' Association of the BTBID; and

WHEREAS, Visit Berkeley, in its capacity as the Owners' Association of the BTBID, has drafted a *Management District Plan* which sets forth the proposed boundary of the BTBID, a service plan and budget, and a proposed means of governance; and

WHEREAS, The BTBID Owners' Association, Visit Berkeley, is charged with managing funds and implementing programs in accordance with the *Management District Plan*, and must provide annual reports to the City; and

NOW THEREFORE, BE IT RESOLVED by the Council of the City of Berkeley that the City Manager is hereby authorized to execute a sole source contract and any amendments with Visit Berkeley for the purpose of implementation of the BTBID Management District Plan, for an amount not to exceed total Tourism BID collections for the term of the renewed BTBID, beginning on July 1, 2025 and concluding on June 30, 2035. A record signature copy of said contract and any amendments are to be on file in the Office of the City Clerk.

**NOTICE OF PUBLIC MEETING AND PUBLIC HEARING
BERKELEY CITY COUNCIL**

**CONCERNING THE RENEWAL OF THE BERKELEY TOURISM
BUSINESS IMPROVEMENT DISTRICT AND LEVY OF AN
ASSESSMENT ON CERTAIN LODGING BUSINESSES WITHIN THE
DISTRICT**

NOTICE IS HEREBY GIVEN that on May 6, 2025, the City Council (the "Council") of the City of Berkeley (the "City") adopted a Resolution of Intention to renew the Berkeley Tourism Business Improvement District (the "BTBID") and to levy an assessment on certain lodging businesses within the BTBID as set forth in the attached Resolution of Intention.

NOTICE IS HEREBY FURTHER GIVEN that at 6:00 PM on June 3, 2025, at the School District Board Room located at 1231 Addison Street, Berkeley, CA 94702, a public meeting shall be held pursuant to Government Code section 54954.6 to allow public testimony regarding the renewal of the BTBID and the levy of assessments therein as set forth in the enclosed Resolution of Intention and pursuant to Government Code section 54954.6.

NOTICE IS HEREBY FURTHER GIVEN that at 6:00 PM on June 24, 2025, at School District Board Room located at 1231 Addison Street, Berkeley, CA 94702 has been set as the time and place for a public hearing at which time the City Council proposes to renew the BTBID and to levy the proposed assessment as set forth in the Resolution of Intention.

Location: The renewed BTBID includes all lodging businesses, existing and in the future, with five (5) rooms or more, available for public occupancy within the boundaries of the City.

Services: The BTBID is designed to provide specific benefits directly to payors by increasing awareness and demand for room night sales. Marketing & sales promotions and cultural tourism programs will increase demand for overnight tourism and market payors as tourist, meeting and event destinations, thereby increasing demand for room night sales.

Budget: The total BTBID annual assessment budget for the initial year of its ten (10) year operation is anticipated to be approximately \$2,221,000. A similar assessment budget is expected to apply to subsequent years, but this assessment budget is expected to fluctuate as room sales do and as businesses open and close.

- Cost:** The existing annual assessment rate is one percent (1%) of gross short-term room rental revenue. Based on the benefit received, assessments will not be collected on: stays of more than thirty (30) consecutive days; stays by any officer or employee of a government who is exempt by express provision of federal international treaty; and stays at a bed and breakfast establishment as defined in Section 23F.04.010 of the Berkeley Municipal Code. The proposed annual assessment rate is three percent (3%) of gross short-term sleeping room rental revenue. Based on the benefit received, assessments will not be collected on: stays of more than thirty (30) consecutive days; and stays by any officer or employee of a government who is exempt by express provision of federal international treaty.
- Collection:** The City will be responsible for collecting the assessment on a monthly basis (including any delinquencies, interest, and overdue charges) from each assessed lodging business located in the boundaries of the BTBID. The City shall take all reasonable efforts to collect the assessments from each assessed lodging business.
- Duration:** The renewed BTBID will have a ten (10) year life, beginning July 1, 2025 or as soon as possible thereafter, and ending ten (10) years from its start date. After ten (10) years, the BTBID may be renewed pursuant to the Property and Business Improvement District Law of 1994, Streets and Highways Code section 36600 et seq. if business owners support continuing the BTBID programs.
- Management:** Visit Berkeley shall continue to serve as the BTBID's Owners' Association. The Owners' Association is charged with managing funds and implementing programs and must provide annual reports to the City Council.
- Protest:** Any owner of a lodging business within the proposed BTBID that will be subject to the assessment may protest the renewal of the BTBID. If written protests are received from the owners of lodging businesses in the proposed BTBID who represent 50 percent (50%) or more of the estimated annual assessments to be levied, the BTBID shall not be renewed, and the assessment shall not be imposed.

You may mail a written protest to:

Office of the City Clerk
City of Berkeley
2180 Milvia Street, 1st Floor
Berkeley, CA 94704

You may also appear at the public meeting or hearing and submit a written protest at that time.

Information: Should you desire additional information about this proposed BTBID or assessment contact:

Jeffrey Church, President & CEO
Visit Berkeley
2030 Addison Street, #102
Berkeley, CA 94704
(510) 549-7040

A copy of the agenda material for this hearing will be available on the City’s website at <https://berkeleyca.gov/> as of June 12, 2025.

Written comments should be mailed or delivered directly to the City Clerk, 2180 Milvia Street, Berkeley, CA 94704, or e-mailed 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 or in person to the City Clerk. 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.

Mailed: * [redacted] *

Notice provided pursuant to Government Code section 54954.6.

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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 June 12, 2025.

\_\_\_\_\_  
Mark Numainville, City Clerk

**NOTICE OF PUBLIC HEARING  
BERKELEY CITY COUNCIL**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BERKELEY  
DECLARING ITS INTENTION TO MODIFY THE BERKELEY TOURISM  
BUSINESS IMPROVEMENT DISTRICT**

NOTICE IS HEREBY GIVEN that at 6:00 PM on June 24, 2025, at the School District Board Room located at 1231 Addison Street, Berkeley, CA 94702 has been set as the time and place for a public hearing at which time the Council proposes to modify the existing BTBID, to conclude service on June 30, 2025, as set forth in the Resolution of Intention.

**Location:** There is no proposed change to BTBID boundaries which include all lodging businesses with five (5) rooms or more, located within the boundaries of the City of Berkeley.

**Services:** The BTBID is designed to provide specific benefits directly to payors by increasing room night sales. Marketing and sales promotions will increase overnight tourism and market payors as tourist, meeting and event destinations, thereby increasing room night sales.

**Budget:** The total BTBID annual budget for each full year of operation is anticipated to be approximately \$557,760. This budget is expected to fluctuate as room sales do, but is not expected to significantly change over the BTBID's term.

**Cost:** There is no change proposed to the annual assessment rate. The current assessment rate is one percent (1%) of gross short-term room rental revenue. Based on the benefit received, assessments will not be collected on: stays of more than thirty (30) consecutive days; stays by any officer or employee of a government who is exempt by express provision of federal international treaty; and stays at a bed and breakfast establishment as defined in Section 23F.04.010 of the Berkeley Municipal Code.

**Collection:** The City of Berkeley will continue to be responsible for collecting the assessment on a monthly basis (including any delinquencies, penalties and interest) from each lodging business with five (5) rooms or more, located in the boundaries of the BTBID. The City shall take all reasonable efforts to collect the assessments from each lodging business.

**Duration:** The modified BTBID will have an eight (8) year life, with a modified ending date of June 30, 2025. The City of Berkeley created the BTBID on April 25, 2017 by Resolution No. 67-926-N.S.; for a ten (10) year term which

currently ends on June 30, 2027. The BTBID Owner's Association has requested the City Council to modify the Management District Plan of the BTBID so that the current BTBID term ends June 30, 2025. The process to modify the current BTBID is set to be completed concurrently with completion of BTBID renewal. That is, the proposed modified BTBID's term will expire on June 30, 2025, and the renewed district will begin on July 1, 2025 with no break in service. The purpose of the modification is to align the BTBID's term with the renewed BTBID, implementing the annual assessment rate of 3% of gross short-term sleeping room rental revenue.

**Management:** Visit Berkeley will continue to serve as the BTBID's Owners' Association. The Owners' Association is charged with managing funds and implementing programs in accordance with the Plan, and must provide annual reports to the City of Berkeley.

**Protest:** Any owner of a lodging business within the proposed BTBID that will be subject to the assessment may protest the modification of the BTBID. If written protests are received from the owners of lodging businesses in the existing BTBID who represent fifty percent (50%) or more of the estimated annual assessments to be levied, the BTBID shall not be modified.

You may mail a written protest to:

Office of the City Clerk  
City of Berkeley  
2180 Milvia Street, 1st Floor  
Berkeley, CA 94704

You may also appear at the public meeting or hearing and submit a written protest at that time.

**Information:** Should you desire additional information about the modified BTBID or assessment contact:

Jeffrey Church, President & CEO  
Visit Berkeley  
2030 Addison Street, #102  
Berkeley, CA 94704  
(510) 549-7040

A copy of the agenda material for this hearing will be available on the City's website at <https://berkeleyca.gov/> as of June 12, 2025.

Written comments should be mailed or delivered directly to the City Clerk, 2180 Milvia Street, Berkeley, CA 94704, or e-mailed to [council@berkeleyca.gov](mailto: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 or in person to the City Clerk. 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](mailto:clerk@berkeleyca.gov) for further information.

**Mailed:** \* [redacted] \*

**Notice provided pursuant to Government Code section 54954.6.**

Pursuant to Streets and Highways Code section 36636, notice for the public hearing that will result from the adoption of this Resolution shall be accomplished by mailing a copy of the Resolution to assessed business owners and publishing a copy of the Resolution in a newspaper of general circulation in the City.

“Notice of all other public hearings pursuant to this section shall comply with both of the following:

- (1) The Resolution of Intention shall be published in a newspaper of general circulation in the city once at least seven days before the public hearing.
- (2) A complete copy of the Resolution of Intention shall be mailed by first class mail, at least 10 days before the public hearing, to each business owner or property owner affected by the proposed modification.”

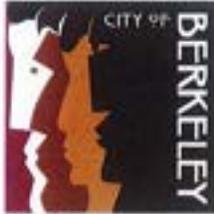
**Mailed:** \* [redacted] \*

**Published:** \* [redacted] \*

**Notice provided pursuant to Streets and Highways Code section 36636.**

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I hereby certify that the Notice for this Public Meeting and 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 June 12, 2025.

Mark Numainville, City Clerk



City Clerk Department

March 24, 2025

Memo to File

I hereby certify that **8** Valid Petitions to Establish the Berkeley Tourism Business Improvement District were delivered to the Finance Department by representatives of the Berkeley Tourism BID.

The petitions represent a weighted approval of greater than 50% of the total assessment as verified by the Berkeley Finance Department.



Mark Numainville
City Clerk



Date



**BERKELEY TOURISM BUSINESS
IMPROVEMENT DISTRICT
MANAGEMENT DISTRICT PLAN**

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Prepared by
Civitas



(800)999-7781

www.civitasadvisors.com

I. OVERVIEW

Developed by Berkeley lodging businesses and Visit Berkeley (VB), the convention and visitors bureau for Berkeley, California the Berkeley Tourism Business Improvement District (BTBID) is an assessment district proposed to continue to provide specific benefits to payors by funding marketing and sales promotion efforts for assessed businesses. This approach has been used successfully in other destination areas throughout the country to provide the benefit of additional room night sales directly to payors. The BTBID was initially created in 2012 for a five (5) year term, and was subsequently renewed in 2017 for a ten (10) year term. VB and Berkeley lodging businesses now wish to renew the BTBID for an additional ten (10) year term.

Location: The renewed BTBID includes all lodging businesses, existing and in the future, with five (5) rooms or more, available for public occupancy within the boundaries of the City of Berkeley (City), as shown on the map in Section IV.

Services: The BTBID is designed to provide specific benefits directly to payors by increasing awareness and demand for room night sales. Marketing & sales promotions and cultural tourism programs will increase demand for overnight tourism and market payors as tourist, meeting and event destinations, thereby increasing demand for room night sales.

Budget: The total BTBID annual assessment budget for the initial year of its ten (10) year operation is anticipated to be approximately \$2,221,000. A similar assessment budget is expected to apply to subsequent years, but this assessment budget is expected to fluctuate as room sales do and as businesses with five or more lodging rooms open and close.

Cost: The annual assessment rate is three percent (3%) of gross short-term sleeping room rental revenue. Based on the benefit received, assessments will not be collected on: stays of more than thirty (30) consecutive days; and stays by any officer or employee of a government who is exempt by express provision of federal international treaty.

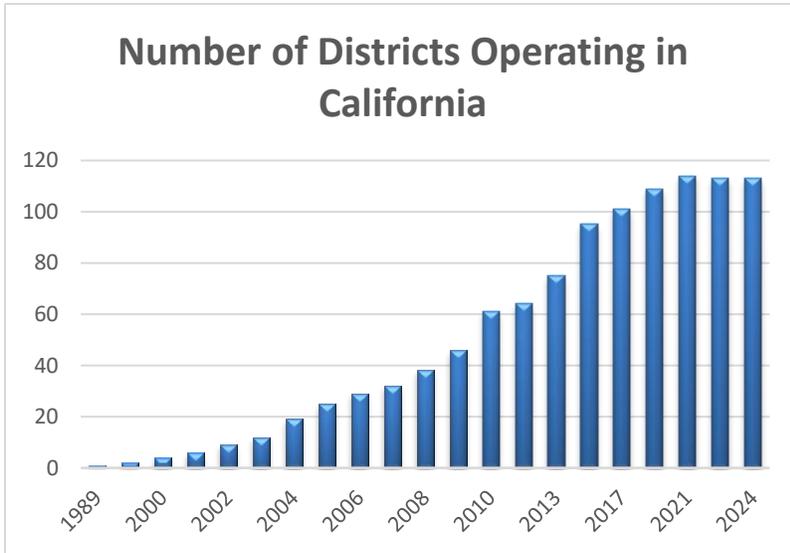
Collection: The City will be responsible for collecting the assessment on a monthly basis (including any delinquencies, interest, and overdue charges) from each assessed lodging business located in the boundaries of the BTBID. The City shall take all reasonable efforts to collect the assessments from each assessed lodging business.

Duration: The renewed BTBID will have a ten (10) year life, beginning July 1, 2025 or as soon as possible thereafter, and ending ten (10) years from its start date. After ten (10) years, the BTBID may be renewed pursuant to the Property and Business Improvement District Law of 1994, Streets and Highways Code section 36600 et seq. (94 Law) if business owners support continuing the BTBID programs.

Management: VB shall continue to serve as the BTBID's Owners' Association. The Owners' Association is charged with managing funds and implementing programs in accordance with this Management District Plan (Plan), and must provide annual reports to the City Council.

II. BACKGROUND

TBIDs are an evolution of the traditional Business Improvement District. The first TBID was formed in West Hollywood, California in 1989. Since then, over 100 California destinations have followed suit. In recent years, other states have begun adopting the California model –Illinois, Minnesota, Massachusetts, Montana, South Dakota, Washington, Colorado, Texas and Louisiana have adopted TBID laws. Several other states are in the process of adopting their own legislation. The cities of Wichita, Kansas and Newark, New Jersey used an existing business improvement district law to form a TBID. Additionally, some cities, like Portland, Oregon and Memphis, Tennessee have utilized their home rule powers to create TBIDs without a state law.



California’s TBIDs collectively raise over \$300 million annually for local destination marketing in 2024. With competitors raising their budgets, and increasing rivalry for visitor dollars, it is important that Berkeley lodging businesses continue to invest in stable, commerce-specific marketing programs.

TBIDs utilize the efficiencies of private sector operation in the market-based promotion of tourism districts. TBIDs allow tourism business owners to

organize their efforts to increase commerce. Lodging business owners within the TBID pay an assessment and those funds are used to provide services that increase commerce.

In California, most TBIDs are formed pursuant to the Property and Business Improvement District Law of 1994. This law allows for the creation of a benefit assessment district to raise funds within a specific geographic area. *The key difference between Tourism BID’s and other benefit assessment districts is that funds raised are returned to the private non-profit corporation governing the district.*

There are many benefits to TBIDs:

- Funds must be spent on services and improvements that provide a specific benefit only to those who pay;
- Funds cannot be diverted to general government programs;
- They are customized to fit the needs of payors in each destination;
- They allow for a wide range of services;
- They are **designed, created and governed by those who will pay** the assessment; and
- They provide a stable, long-term funding source for tourism promotion.

III. ACCOMPLISHMENTS OF BERKELEY'S TOURSIM BID TO DATE

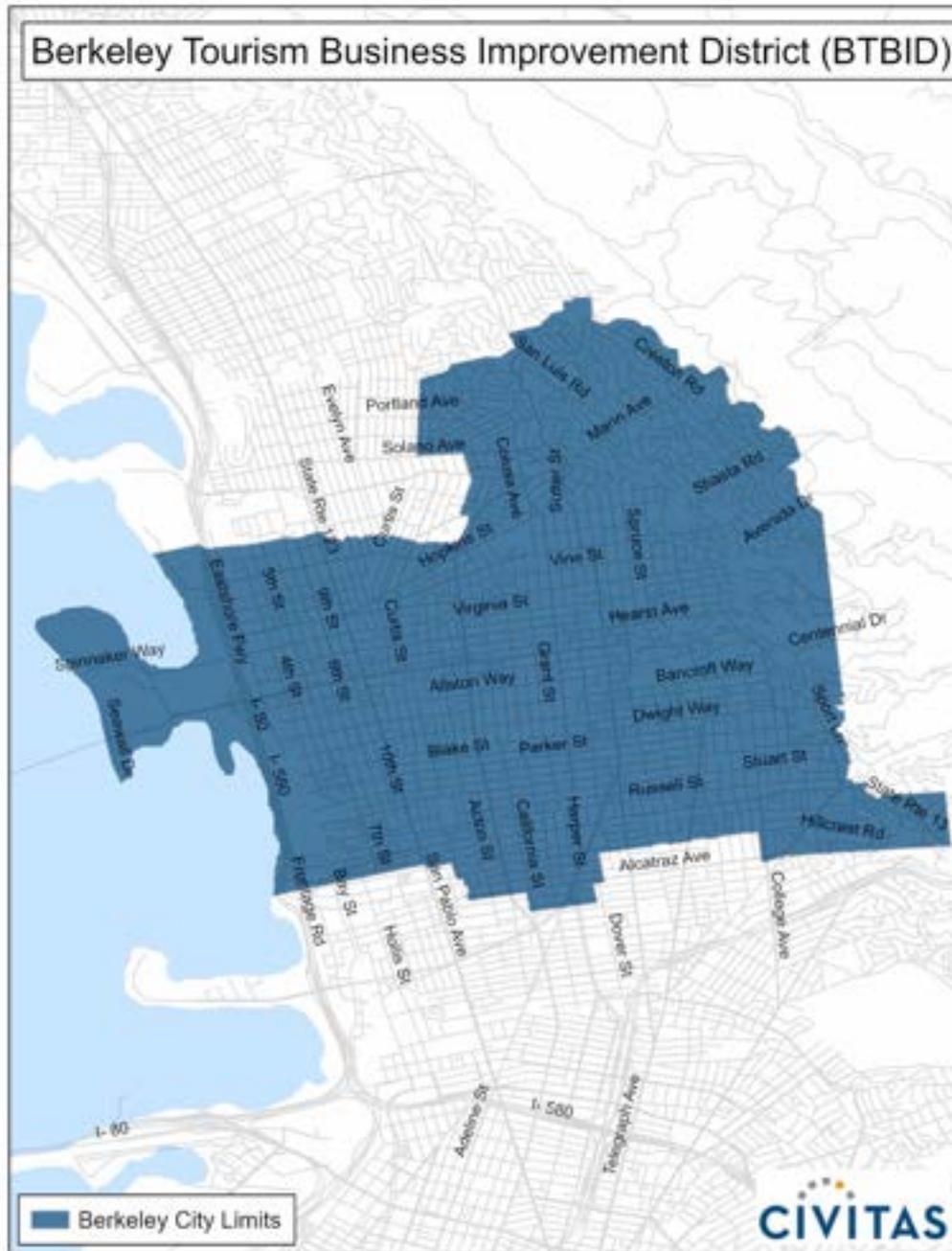
- Creation of Berkeley Restaurant Week, celebrating the culinary excellence the city has to offer.
- Implementation of *Berkeley Bucks*, the City of Berkeley's first e-gift card redeemable only in Berkeley to support local businesses, with a focus on shopping, dining, and accommodations.
- Utilized the Visit Berkeley website and team as a resource during the pandemic to support local businesses with a "What's Open?" page, hosting restaurant roundtables to phase in outdoor dining, and supported the City of Berkeley's "Berkeley Relief Fund" campaign to raise funds for those most impacted by the pandemic.
- Sponsorship and support of large-scale events such as the Bay Area Book Festival and Bioneers to increase overnight visitation.
- Sponsored California Hotel & Lodging Association (CHLA) Membership for All Lodging Properties
- Through CHLA, were able to deliver then-hard-to-source PPE (masks and hand sanitizer) to all hotel properties
- Provided Advanced Hotel Performance Metrics through Smith Travel Report (STR) / Kalibri Reports to Lodging Partners
- Invested in metrics-supported online travel agency (OTA) marketing campaigns to boost Berkeley hotel occupancy
- Developed a partnership with Placer AI, utilizing their platform on annual subscription basis to quantify the local economic impact of tourism through location-based data
- Hosted meeting planner familiarization tours for Berkeley hotel and event venues
- 1,500+ RFP's received and processed through CVENT & Direct Lead retrieval from various tradeshows
- Created the Visit Berkeley Partner Showcase, connecting UC Berkeley event planners with Berkeley Businesses and vendors (i.e. local caterers)
- Invested in a modern interactive website, VisitBerkeley.com, in 2019
- 503,609 visitors to VisitBerkeley.com in '24 (14% increase over 2023)
- 1,105,293 VisitBerkeley.com page views in '24 (10% increase over 2023)
- Invested in an independent, non-OTA, commission-free booking engine (Ripe Booking) for onsite hotel bookings in 2024

IV. TOURISM BID BOUNDARY

The BTBID will continue to include all lodging businesses, existing and in the future, with five (5) rooms or more, available for public occupancy within the boundaries of the City of Berkeley (City), as shown in the map below.

Lodging business may include, but is not limited to, any hotel, inn, tourist home or house, motel, studio hotel, bachelor hotel, or other similar structure or portion thereof.

A complete listing of assessed lodging businesses within the renewed BTBID can be found in Appendix 2.



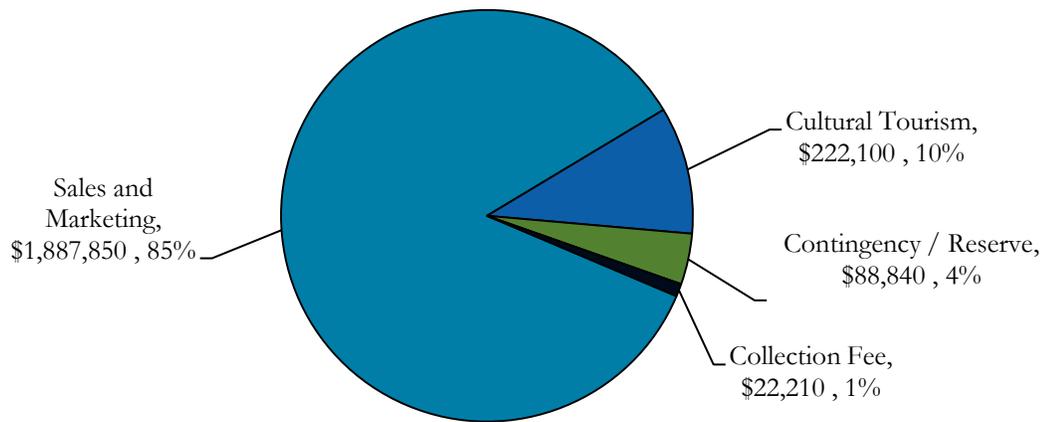
V. ASSESSMENT BUDGET AND SERVICES

A. Annual Service Plan

Assessment funds will be spent to provide specific benefits conferred or privileges granted directly to the payors that are not provided to those not charged, and which do not exceed the reasonable cost to the City of conferring the benefits or granting the privileges. The privileges and services provided with the BTBID funds are sales & marketing and cultural tourism programs available only to assessed businesses.

A service plan assessment budget has been developed to deliver services that benefit the assessed businesses. A detailed annual assessment budget will be developed and approved by the VB Board. The chart below illustrates the initial annual assessment budget allocations. These activities and allocations will also apply in subsequent years. The total initial assessment budget is estimated to be \$2,221,000 in year one.

Initial Annual Assessment Budget - \$2,221,000



Although actual revenues will fluctuate due to market conditions, the proportional allocations of the budget shall remain the same. However, the City and the VB Board shall have the authority to adjust budget allocations between the categories by no more than fifteen percent (15%) of the total budget per year. A description of the proposed improvements and activities for the initial year of operation is below. The same activities are proposed for subsequent years. In the event of a legal challenge against the BTBID, any and all assessment funds may be used for the costs of defending the BTBID.

Each budget category includes all costs related to providing that service. For example, the sales and marketing budget includes the cost of staff time dedicated to overseeing and implementing the sales and marketing program. Staff time dedicated purely to administrative tasks is allocated to the administrative portion of the budget. The costs of an individual staff member may be allocated to multiple budget categories. The staffing levels necessary to provide the services below will be determined by VB on an as-needed basis.

Sales and Marketing

A sales and marketing program will promote assessed businesses as tourist, meeting, and event destinations. The sales and marketing program will have a central theme of promoting Berkeley as a desirable place for overnight visits. The program will have the goal of increasing overnight visitation and room night sales at assessed businesses, and may include, but is not limited to, the following activities:

- Internet marketing efforts to increase awareness and optimize internet presence to drive overnight visitation and room sales to assessed businesses;
- Print ads in magazines and newspapers, television ads, and radio ads targeted at potential visitors to drive overnight visitation and room sales to assessed businesses;
- Attendance of trade shows to promote assessed businesses;
- Sales blitzes for assessed businesses;
- Familiarization tours of assessed businesses;
- Preparation and production of collateral promotional materials such as brochures, flyers and maps featuring assessed businesses;
- Attendance of professional industry conferences and affiliation events to promote assessed businesses;
- Lead generation activities designed to attract tourists and group events to assessed businesses;
- Director of Sales and General Manager meetings to plan and coordinate tourism promotion efforts for assessed businesses; and
- Development and maintenance of a website designed to promote assessed businesses.

Cultural Tourism

Cultural tourism programs are intended to drive travel to Berkeley by attracting visitors to experience cultural, historical, and artistic attractions to generate visitation to assessed businesses. By promoting Berkeley's rich heritage and unique cultural offerings, the Cultural Tourism program encourages higher visitation and longer stays to assessed businesses. The Cultural Tourism program may include, but is not limited to, the following activities:

- Creation of new arts, cultural and educational programs and activities to generate overnight visitation to assessed businesses;
- Organizing events including as festivals, performances, and exhibitions that celebrate Berkeley's unique heritage and arts, resulting in overnight visitation to assessed businesses;
- Promoting food-related experiences that highlight Berkeley's local cuisine, driving demand for overnight visitation to assessed businesses;
- Sustainability programs that offset impacts of tourist visitation within the destination;
- Enhancements to environmental experiences, which attract overnight visitors, and expose visitors to the value of the vital ecosystems;
- Services designed to improve the visitors experience such as, but not limited to, beautification of public spaces to drive overnight visitation to assessed businesses; and
- Infrastructure improvements that enhance the destination's competitive position to attract desirable special events year-round and attract overnight visitors.

Collection Fee

The City shall be paid a fee equal to one percent (1%) of the amount of assessment collected to cover its costs of collection and administration.

Contingency/Reserve

The budget includes a contingency line item to account for uncollected assessments, if any. If there are contingency funds collected, they may be held in a reserve fund or utilized for other program, advocacy or renewal costs at the discretion of VB. Policies relating to contributions to the reserve fund, the target amount of the reserve fund, and expenditure of monies from the reserve fund shall be set by the VB Board of Directors. Contingency/Reserve funds may be spent on BTBID programs or administrative and renewal costs in such proportions as determined by VB. The reserve fund may be used for the costs of renewing the BTBID.

B. Annual Budget

The total ten (10) year assessment budget is projected at approximately \$2,221,000 annually, or \$22,210,000 through the ten (10) year term of the BTBID. A similar budget is expected to apply to subsequent years, but this budget is expected to fluctuate as room sales do, and as businesses open and close.

C. California Constitutional Compliance

The BTBID assessment is not a property-based assessment subject to the requirements of Proposition 218. Courts have found Proposition 218 limited the term ‘assessments’ to levies on real property.¹ Rather, the BTBID assessment is a business-based assessment, and is subject to Proposition 26. Pursuant to Proposition 26 all levies are a tax unless they fit one of seven exceptions. Two of these exceptions apply to the BTBID, a “specific benefit” and a “specific government service.” Both require that the costs of benefits or services do not exceed the reasonable costs to the City of conferring the benefits or providing the services.

1. Specific Benefit

Proposition 26 requires that assessment funds be expended on, “a specific benefit conferred or privilege granted directly to the payor that is not provided to those not charged, and which does not exceed the reasonable costs to the local government of conferring the benefit or granting the privilege.”² The services in this Plan are designed to provide targeted benefits directly to assessed businesses, and are intended only to provide benefits and services directly to those businesses paying the assessment. These services are tailored not to serve the general public, businesses in general, or parcels of land, but rather to serve the specific businesses within the BTBID. The activities described in this Plan are specifically targeted to increase demand for room night sales for assessed lodging businesses within the boundaries of the BTBID, and are narrowly tailored. BTBID funds will be used exclusively to provide the specific benefit of increased demand for room night sales directly to the assessees. Assessment funds shall not be used to feature non-assessed lodging businesses in BTBID programs, or to directly generate sales for non-assessed businesses. The activities paid for from assessment revenues are business services constituting and providing specific benefits to the assessed businesses. Nothing in this Plan limits the ability of the Owners’ Association to enter into private contracts with non-assessed lodging businesses for the provision of services to those businesses.

The assessment imposed by this BTBID is for a specific benefit conferred directly to the payors that is not provided to those not charged. The specific benefit conferred directly to the payors is an increase in demand for room night sales. The specific benefit of an increase in demand for room night sales for assessed lodging businesses will be provided only to lodging businesses paying the district assessment, with marketing & sales and cultural tourism programs promoting lodging businesses paying the BTBID assessment. The marketing & sales and cultural tourism programs will be designed to increase room night sales at each assessed lodging businesses. Because they are

¹ *Jarvis v. the City of San Diego* 72 Cal App. 4th 230

² Cal. Const. art XIII C § 1(e)(1)

necessary to provide the marketing & sales and cultural tourism programs that specifically benefit the assessed lodging businesses, the administration and contingency services also provide the specific benefit of increased demand for room night sales to the assessed lodging businesses.

Although the BTBID, in providing specific benefits to payors, may produce incidental benefits to non-paying businesses, the incidental benefit does not preclude the services from being considered a specific benefit. The legislature has found that, “A specific benefit is not excluded from classification as a ‘specific benefit’ merely because an indirect benefit to a nonpayor occurs incidentally and without cost to the payor as a consequence of providing the specific benefit to the payor.”³

2. Specific Government Service

The assessment may also be utilized to provide, “a specific government service or product provided directly to the payor that is not provided to those not charged, and which does not exceed the reasonable costs to the local government of providing the service or product.”⁴ The legislature has recognized that marketing and promotions services like those to be provided by the BTBID are government services within the meaning of Proposition 26⁵. Further, the legislature has determined that “a specific government service is not excluded from classification as a ‘specific government service’ merely because an indirect benefit to a nonpayor occurs incidentally and without cost to the payor as a consequence of providing the specific government service to the payor.”⁶

3. Reasonable Cost

BTBID services will be implemented carefully to ensure they do not exceed the reasonable cost of such services. The full amount assessed will be used to provide the services described herein. Funds will be managed by the VB, and reports submitted on an annual basis to the City. Only assessed lodging businesses will be featured in marketing materials, receive sales leads generated from BTBID-funded activities, be featured in advertising campaigns, and benefit from other BTBID-funded services. The assessed lodging business list was compiled from records provided by the jurisdiction and complies with the requirements of the 94 Law. Pursuant to Streets and Highways Code Section 36615, the City Council’s determination of ownership is final and conclusive, with no obligation to obtain other information. Non-assessed lodging businesses will not receive these, nor any other, BTBID-funded services and benefits.

The BTBID-funded programs are targeted directly to benefit assessed businesses. It is, however, possible that there will be a spill over benefit to non-assessed businesses. If non-assessed lodging businesses receive incremental room nights, that portion of the promotion or program generating those room nights shall be paid with non-BTBID funds. BTBID funds shall only be spent to benefit the assessed businesses, and shall not be spent on that portion of any program which directly generates incidental room nights for non-assessed businesses.

D. Assessment

The annual assessment rate is three percent (3%) of gross short term sleeping room rental revenue on lodging businesses with five (5) rooms or more. Based on the benefit received, assessments will not be collected on: stays of more than thirty (30) consecutive days; and stays by any officer or employee of a government who is exempt by express provision of federal international treaty.

³ Government Code § 53758(a)

⁴ Cal. Const. art XIII C § 1(e)(2)

⁵ Government Code § 53758(b)

⁶ Government Code § 53758(b)

The assessment was calculated based on the total cost of the activities to be provided for the benefit of the businesses within the BTBID, with costs allocated based on the proportional benefit conferred to each business. Activities funded by the BTBID, are specifically targeted to increase room nights at assessed businesses. All room night sales do not represent the same benefit to the payors. For example, a higher priced room night is of greater benefit than a lower priced room night because the assessee derives greater revenue. To account for this benefit differential and to make sure the benefits are proportional, an assessment formula based on a percentage of revenue has been selected. The proposed formula accurately reflects greater benefit to assessed businesses with higher priced room nights.

The term “gross room rental revenue” as used herein means: the consideration charged for the occupancy of space in a lodging business valued in money. Gross sleeping room rental revenue shall not include, and therefore the assessment shall not be charged upon, any federal, state or local taxes collected, including but not limited to transient occupancy taxes.

The assessment is levied upon and a direct obligation of the assessed lodging business. However, the assessed lodging business may, at its discretion, pass the assessment on to transients. The amount of assessment, if passed on to each transient, shall be disclosed in advance and separately stated from the amount of rent charged and any other applicable taxes, and each transient shall receive a receipt for payment from the business. If the BTBID assessment is identified separately it shall be disclosed as the “BTBID Assessment.” As an alternative, the disclosure may include the amount of the BTBID assessment and the amount of the assessment imposed pursuant to the California Tourism Marketing Act, Government Code §13995 et seq. and shall be disclosed as the “Tourism Assessment.” The assessment is imposed solely upon, and is the sole obligation of the assessed lodging business even if it is passed on to transients. The assessment shall not be considered revenue for calculation of transient occupancy taxes.

Bonds shall not be issued.

E. Interest and Overdue Charges

The BTBID shall reimburse the City of Berkeley for any costs associated with collecting unpaid assessments. If sums in excess of the delinquent BTBID assessment are sought to be recovered in the same collection action by the City, the BTBID shall bear its pro rata share of such collection costs. Assessed businesses which are delinquent in paying the assessment shall be responsible for paying:

1. *Original Delinquency:* Any lodging business which fails to remit any assessment imposed within the time required shall pay an overdue charge of ten percent (10%) of the amount of the assessment.
2. *Continued Delinquency:* Any lodging business which fails to remit any delinquent remittance on or before a period of thirty (30) days following the date on which the remittance first became delinquent shall pay a second delinquency overdue charge of ten percent (10%) of the amount of the assessment in addition to the amount of the assessment and the ten percent (10%) overdue charge first imposed.
3. *Fraud:* If the tax administrator determines that the nonpayment of any remittance due is due to fraud, an overdue charge of twenty-five percent (25%) of the amount of the assessment shall be added thereto in addition to the overdue charges stated in subsections 1 and 2 of this section.
4. *Interest:* In addition to the overdue charges imposed, any lodging business which fails to remit any assessment imposed shall pay interest at the rate of one percent (1%) per month or fraction

thereof on the amount of the assessment, exclusive of overdue charges, from the date on which the remittance first became delinquent until paid.

5. *Overdue Charges Merged With Assessment:* Every overdue charge imposed and such interest as accrues shall become a part of the assessment herein required to be paid.

F. Time and Manner for Collecting Assessments

The BTBID assessment will be implemented beginning July 1, 2025 or as soon as possible thereafter, and ending ten (10) years from its start date. The City will be responsible for collecting the assessment on a monthly basis (including any delinquencies, interest and overdue charges) from each assessed lodging business. The City shall take all reasonable efforts to collect the assessments from each assessed lodging business. The City shall forward the assessments collected to the Owners' Association.

VI. GOVERNANCE

A. Owners' Association

The City Council, through adoption of this Plan, has the right, pursuant to Streets and Highways Code §36651, to identify the body that shall implement the proposed program, which shall be the Owners' Association of the BTBID as defined in Streets and Highways Code §36612. The Berkeley City Council has determined that VB will continue to serve as the Owners' Association for the BTBID for the term of the renewal (10 years).

B. Brown Act and California Public Records Act Compliance

An Owners' Association is a private entity and may not be considered a public entity for any purpose, nor may its board members or staff be considered to be public officials for any purpose. The Owners' Association is, however, subject to government regulations relating to transparency, namely the Ralph M. Brown Act and the California Public Records Act. These regulations are designed to promote public accountability. The Owners' Association acts as a legislative body under the Ralph M. Brown Act (Government Code §54950 et seq.). Thus, meetings of the VB Board and certain committees must be held in compliance with the public notice and other requirements of the Brown Act. Accordingly, the Owners' Association shall publicly report any action taken and the vote or abstention on that action of each member present for the action. The Owners' Association is also subject to the record keeping and disclosure requirements of the California Public Records Act.

C. Annual Report

VB shall present an annual report at the end of each year of operation to the City Council pursuant to Streets and Highways Code §36650 (see Appendix 1). The annual report shall include:

- Any proposed changes in the boundaries of the improvement district or in any benefit zones or classification of businesses within the district.
- The improvements and activities to be provided for that fiscal year.
- An estimate of the cost of providing the improvements and the activities for that fiscal year.
- The method and basis of levying the assessment in sufficient detail to allow each business owner to estimate the amount of the assessment to be levied against his or her business for that fiscal year.
- The estimated amount of any surplus or deficit revenues to be carried over from a previous fiscal year.
- The estimated amount of any contributions to be made from sources other than assessments levied pursuant to this part.

APPENDIX 1 – LAW

CURRENT THROUGH ALL LEGISLATION OF THE 2024 REGULAR AND SPECIAL SESSIONS

**STREETS AND HIGHWAYS CODE
DIVISION 18. PARKING
PART 7. PROPERTY AND BUSINESS IMPROVEMENT DISTRICT LAW OF 1994**

CHAPTER 1. General Provisions

ARTICLE 1. Declarations

36600. Citation of part

This part shall be known and may be cited as the “Property and Business Improvement District Law of 1994.”

36601. Legislative findings and declarations; Legislative guidance

The Legislature finds and declares all of the following:

- (a) Businesses located and operating within business districts in some of this state’s communities are economically disadvantaged, are underutilized, and are unable to attract customers due to inadequate facilities, services, and activities in the business districts.
- (b) It is in the public interest to promote the economic revitalization and physical maintenance of business districts in order to create jobs, attract new businesses, and prevent the erosion of the business districts.
- (c) It is of particular local benefit to allow business districts to fund business related improvements, maintenance, and activities through the levy of assessments upon the businesses or real property that receive benefits from those improvements.
- (d) Assessments levied for the purpose of conferring special benefit upon the real property or a specific benefit upon the businesses in a business district are not taxes for the general benefit of a city, even if property, businesses, or persons not assessed receive incidental or collateral effects that benefit them.
- (e) Property and business improvement districts formed throughout this state have conferred special benefits upon properties and businesses within their districts and have made those properties and businesses more useful by providing the following benefits:
 - (1) Crime reduction. A study by the Rand Corporation has confirmed a 12-percent reduction in the incidence of robbery and an 8-percent reduction in the total incidence of violent crimes within the 30 districts studied.
 - (2) Job creation.
 - (3) Business attraction.
 - (4) Business retention.
 - (5) Economic growth.
 - (6) New investments.
- (f) With the dissolution of redevelopment agencies throughout the state, property and business improvement districts have become even more important tools with which communities can combat blight, promote economic opportunities, and create a clean and safe environment.
- (g) Since the enactment of this act, the people of California have adopted Proposition 218, which added Article XIII D to the Constitution in order to place certain requirements and restrictions on the formation of, and activities, expenditures, and assessments by property-based districts. Article XIII D of the Constitution provides that property-based districts may only levy assessments for special benefits.
- (h) The act amending this section is intended to provide the Legislature’s guidance with regard to this act, its interaction with the provisions of Article XIII D of the Constitution, and the determination of special benefits in property-based districts.
 - (1) The lack of legislative guidance has resulted in uncertainty and inconsistent application of this act, which discourages the use of assessments to fund needed improvements, maintenance, and activities in property-based districts, contributing to blight and other underutilization of property.
 - (2) Activities undertaken for the purpose of conferring special benefits upon property to be assessed inherently produce incidental or collateral effects that benefit property or persons not assessed. Therefore, for special benefits to exist as a separate and distinct category from general benefits, the incidental or collateral effects of those special benefits are inherently part of those

special benefits. The mere fact that special benefits produce incidental or collateral effects that benefit property or persons not assessed does not convert any portion of those special benefits or their incidental or collateral effects into general benefits.

(3) It is of the utmost importance that property-based districts created under this act have clarity regarding restrictions on assessments they may levy and the proper determination of special benefits. Legislative clarity with regard to this act will provide districts with clear instructions and courts with legislative intent regarding restrictions on property-based assessments, and the manner in which special benefits should be determined.

36602. Purpose of part

The purpose of this part is to supplement previously enacted provisions of law that authorize cities to levy assessments within property and business improvement districts, to ensure that those assessments conform to all constitutional requirements and are determined and assessed in accordance with the guidance set forth in this act. This part does not affect or limit any other provisions of law authorizing or providing for the furnishing of improvements or activities or the raising of revenue for these purposes.

36603. Preemption of authority or charter city to adopt ordinances levying assessments

Nothing in this part is intended to preempt the authority of a charter city to adopt ordinances providing for a different method of levying assessments for similar or additional purposes from those set forth in this part. A property and business improvement district created pursuant to this part is expressly exempt from the provisions of the Special Assessment Investigation, Limitation and Majority Protest Act of 1931 (Division 4 (commencing with Section 2800)).

36603.5. Part prevails over conflicting provisions

Any provision of this part that conflicts with any other provision of law shall prevail over the other provision of law, as to districts created under this part.

36604. Severability

This part is intended to be construed liberally and, if any provision is held invalid, the remaining provisions shall remain in full force and effect. Assessments levied under this part are not special taxes.

ARTICLE 2. Definitions

36606. “Activities”

“Activities” means, but is not limited to, all of the following that benefit businesses or real property in the district:

- (a) Promotion of public events.
- (b) Furnishing of music in any public place.
- (c) Promotion of tourism within the district.
- (d) Marketing and economic development, including retail retention and recruitment.
- (e) Providing security, sanitation, graffiti removal, street and sidewalk cleaning, and other municipal services supplemental to those normally provided by the municipality.
- (f) Other services provided for the purpose of conferring special benefit upon assessed real property or specific benefits upon assessed businesses located in the district.

36606.5. “Assessment”

“Assessment” means a levy for the purpose of acquiring, constructing, installing, or maintaining improvements and providing activities that will provide certain benefits to properties or businesses located within a property and business improvement district.

36607. “Business”

“Business” means all types of businesses and includes financial institutions and professions.

36608. “City”

“City” means a city, county, city and county, or an agency or entity created pursuant to Article 1 (commencing with Section 6500) of Chapter 5 of Division 7 of Title 1 of the Government Code, the public member agencies of which includes only cities, counties, or a city and county, or the State of California.

36609. “City council”

“City council” means the city council of a city or the board of supervisors of a county, or the agency, commission, or board created pursuant to a joint powers agreement and which is a city within the meaning of this part.

36609.4. “Clerk”

“Clerk” means the clerk of the legislative body.

36609.5. “General benefit”

“General benefit” means, for purposes of a property-based district, any benefit that is not a “special benefit” as defined in Section 36615.5.

36610. “Improvement”

“Improvement” means the acquisition, construction, installation, or maintenance of any tangible property with an estimated useful life of five years or more including, but not limited to, the following:

- (a) Parking facilities.
- (b) Benches, booths, kiosks, display cases, pedestrian shelters and signs.
- (c) Trash receptacles and public restrooms.
- (d) Lighting and heating facilities.
- (e) Decorations.
- (f) Parks.
- (g) Fountains.
- (h) Planting areas.
- (i) Closing, opening, widening, or narrowing of existing streets.
- (j) Facilities or equipment, or both, to enhance security of persons and property within the district.
- (k) Ramps, sidewalks, plazas, and pedestrian malls.
- (l) Rehabilitation or removal of existing structures.

36611. “Management district plan”; “Plan”

“Management district plan” or “plan” means a proposal as defined in Section 36622.

36612. “Owners’ association”

“Owners’ association” means a private nonprofit entity that is under contract with a city to administer or implement improvements, maintenance, and activities specified in the management district plan. An owners’ association may be an existing nonprofit entity or a newly formed nonprofit entity. An owners’ association is a private entity and may not be considered a public entity for any purpose, nor may its board members or staff be considered to be public officials for any purpose. Notwithstanding this section, an owners’ association shall comply with the Ralph M. Brown Act (Chapter 9 (commencing with Section 54950) of Part 1 of Division 2 of Title 5 of the Government Code), at all times when matters within the subject matter of the district are heard, discussed, or deliberated, and with the California Public Records Act (Division 10 (commencing with Section 7920.000) of Title 1 of the Government Code), for all records relating to activities of the district.

36614. “Property”

“Property” means real property situated within a district.

36614.5. “Property and business improvement district”; “District”

“Property and business improvement district,” or “district,” means a property and business improvement district established pursuant to this part.

36614.6. “Property-based assessment”

“Property-based assessment” means any assessment made pursuant to this part upon real property.

36614.7. “Property-based district”

“Property-based district” means any district in which a city levies a property-based assessment.

36615. “Property owner”; “Business owner”; “Owner”

“Property owner” means any person shown as the owner of land on the last equalized assessment roll or otherwise known to be the owner of land by the city council. “Business owner” means any person recognized by the city as the owner of the business. “Owner” means either a business owner or a property owner. The city council has no obligation to obtain other information as to the ownership of land or businesses, and its determination of ownership shall be final and conclusive for the purposes of this part. Wherever this part requires the signature of the property owner, the signature of the authorized agent of the property owner shall be sufficient. Wherever this part requires the signature of the business owner, the signature of the authorized agent of the business owner shall be sufficient.

36615.5. “Special benefit”

(a) “Special benefit” means, for purposes of a property-based district, a particular and distinct benefit over and above general benefits conferred on real property located in a district or to the public at large. Special benefit includes incidental or collateral effects that arise from the improvements, maintenance, or activities of property-based districts even if those incidental or collateral effects benefit property or persons not assessed. Special benefit excludes general enhancement of property value.

(b) “Special benefit” also includes, for purposes of a property-based district, a particular and distinct benefit provided directly to each assessed parcel within the district. Merely because parcels throughout an assessment district share the same special benefits does not make the benefits general.

36616. “Tenant”

“Tenant” means an occupant pursuant to a lease of commercial space or a dwelling unit, other than an owner.

ARTICLE 3. Prior Law

36617. Alternate method of financing certain improvements and activities; Effect on other provisions

This part provides an alternative method of financing certain improvements and activities. The provisions of this part shall not affect or limit any other provisions of law authorizing or providing for the furnishing of improvements or activities or the raising of revenue for these purposes. Every improvement area established pursuant to the Parking and Business Improvement Area Law of 1989 (Part 6 (commencing with Section 36500) of this division) is valid and effective and is unaffected by this part.

CHAPTER 2. Establishment

36620. Establishment of property and business improvement district

A property and business improvement district may be established as provided in this chapter.

36620.5. Requirement of consent of city council

A county may not form a district within the territorial jurisdiction of a city without the consent of the city council of that city. A city may not form a district within the unincorporated territory of a county without the consent of the board of supervisors of that county. A city may not form a district within the territorial jurisdiction of another city without the consent of the city council of the other city.

36621. Initiation of proceedings; Petition of property or business owners in proposed district

- (a) Upon the submission of a written petition, signed by the property or business owners in the proposed district who will pay more than 50 percent of the assessments proposed to be levied, the city council may initiate proceedings to form a district by the adoption of a resolution expressing its intention to form a district. The amount of assessment attributable to property or a business owned by the same property or business owner that is in excess of 40 percent of the amount of all assessments proposed to be levied, shall not be included in determining whether the petition is signed by property or business owners who will pay more than 50 percent of the total amount of assessments proposed to be levied.
- (b) The petition of property or business owners required under subdivision (a) shall include a summary of the management district plan. That summary shall include all of the following:
- (1) A map showing the boundaries of the district.
 - (2) Information specifying where the complete management district plan can be obtained.
 - (3) Information specifying that the complete management district plan shall be furnished upon request.
- (c) The resolution of intention described in subdivision (a) shall contain all of the following:
- (1) A brief description of the proposed improvements, maintenance, and activities, the amount of the proposed assessment, a statement as to whether the assessment will be levied on property or businesses within the district, a statement as to whether bonds will be issued, and a description of the exterior boundaries of the proposed district, which may be made by reference to any plan or map that is on file with the clerk. The descriptions and statements do not need to be detailed and shall be sufficient if they enable an owner to generally identify the nature and extent of the improvements, maintenance, and activities, and the location and extent of the proposed district.
 - (2) A time and place for a public hearing on the establishment of the property and business improvement district and the levy of assessments, which shall be consistent with the requirements of Section 36623.

36622. Contents of management district plan

The management district plan shall include, but is not limited to, all of the following:

- (a) If the assessment will be levied on property, a map of the district in sufficient detail to locate each parcel of property and, if businesses are to be assessed, each business within the district. If the assessment will be levied on businesses, a map that identifies the district boundaries in sufficient detail to allow a business owner to reasonably determine whether a business is located within the district boundaries. If the assessment will be levied on property and businesses, a map of the district in sufficient detail to locate each parcel of property and to allow a business owner to reasonably determine whether a business is located within the district boundaries.
- (b) The name of the proposed district.
- (c) A description of the boundaries of the district, including the boundaries of benefit zones, proposed for establishment or extension in a manner sufficient to identify the affected property and businesses included, which may be made by reference to any plan or map that is on file with the clerk. The boundaries of a proposed property assessment district shall not overlap with the boundaries of another existing property assessment district created pursuant to this part. This part does not prohibit the boundaries of a district created pursuant to this part to overlap with other assessment districts established pursuant to other provisions of law, including, but not limited to, the Parking and Business Improvement Area Law of 1989 (Part 6 (commencing with Section 36500)). This part does not prohibit the boundaries of a business assessment district created pursuant to this part to overlap with another business assessment district created pursuant to this part. This part does not prohibit the boundaries of a business assessment district created pursuant to this part to overlap with a property assessment district created pursuant to this part.
- (d) The improvements, maintenance, and activities proposed for each year of operation of the district and the estimated cost thereof. If the improvements, maintenance, and activities proposed for each year of operation are the same, a description of the first year's proposed improvements, maintenance, and activities

and a statement that the same improvements, maintenance, and activities are proposed for subsequent years shall satisfy the requirements of this subdivision.

(e) The total annual amount proposed to be expended for improvements, maintenance, or activities, and debt service in each year of operation of the district. If the assessment is levied on businesses, this amount may be estimated based upon the assessment rate. If the total annual amount proposed to be expended in each year of operation of the district is not significantly different, the amount proposed to be expended in the initial year and a statement that a similar amount applies to subsequent years shall satisfy the requirements of this subdivision.

(f) The proposed source or sources of financing, including the proposed method and basis of levying the assessment in sufficient detail to allow each property or business owner to calculate the amount of the assessment to be levied against their property or business. The plan also shall state whether bonds will be issued to finance improvements.

(g) The time and manner of collecting the assessments.

(h) The specific number of years in which assessments will be levied. In a new district, the maximum number of years shall be five. Upon renewal, a district shall have a term not to exceed 10 years.

Notwithstanding these limitations, a district created pursuant to this part to finance capital improvements with bonds may levy assessments until the maximum maturity of the bonds. The management district plan may set forth specific increases in assessments for each year of operation of the district.

(i) The proposed time for implementation and completion of the management district plan.

(j) Any proposed rules and regulations to be applicable to the district.

(k)

(1) A list of the properties or businesses to be assessed, including the assessor's parcel numbers for properties to be assessed, and a statement of the method or methods by which the expenses of a district will be imposed upon benefited real property or businesses, in proportion to the benefit received by the property or business, to defray the cost thereof.

(2) In a property-based district, the proportionate special benefit derived by each identified parcel shall be determined exclusively in relationship to the entirety of the capital cost of a public improvement, the maintenance and operation expenses of a public improvement, or the cost of the activities. An assessment shall not be imposed on any parcel that exceeds the reasonable cost of the proportional special benefit conferred on that parcel. Only special benefits are assessable, and a property-based district shall separate the general benefits, if any, from the special benefits conferred on a parcel. Parcels within a property-based district that are owned or used by any city, public agency, the State of California, or the United States shall not be exempt from assessment unless the governmental entity can demonstrate by clear and convincing evidence that those publicly owned parcels in fact receive no special benefit. The value of any incidental, secondary, or collateral effects that arise from the improvements, maintenance, or activities of a property-based district and that benefit property or persons not assessed shall not be deducted from the entirety of the cost of any special benefit or affect the proportionate special benefit derived by each identified parcel.

(3) In a property-based district, properties throughout the district may share the same special benefits. In a district with boundaries that define which parcels are to receive improvements, maintenance, or activities over and above those services provided by the city, the improvements, maintenance, or activities themselves may constitute a special benefit. The city may impose assessments that are less than the proportional special benefit conferred, but shall not impose assessments that exceed the reasonable costs of the proportional special benefit conferred. Because one or more parcels pay less than the special benefit conferred does not necessarily mean that other parcels are assessed more than the reasonable cost of their special benefit.

(l) In a property-based district, a detailed engineer's report prepared by a registered professional engineer certified by the State of California supporting all assessments contemplated by the management district plan.

(m) Any other item or matter required to be incorporated therein by the city council.

36623. Procedure to levy assessment

(a) If a city council proposes to levy a new or increased property assessment, the notice and protest and hearing procedure shall comply with Section 53753 of the Government Code.

(b) If a city council proposes to levy a new or increased business assessment, the notice and protest and hearing procedure shall comply with Section 54954.6 of the Government Code, except that notice shall be

mailed to the owners of the businesses proposed to be assessed. A protest may be made orally or in writing by any interested person. Every written protest shall be filed with the clerk at or before the time fixed for the public hearing. The city council may waive any irregularity in the form or content of any written protest. A written protest may be withdrawn in writing at any time before the conclusion of the public hearing. Each written protest shall contain a description of the business in which the person subscribing the protest is interested sufficient to identify the business and, if a person subscribing is not shown on the official records of the city as the owner of the business, the protest shall contain or be accompanied by written evidence that the person subscribing is the owner of the business or the authorized representative. A written protest that does not comply with this section shall not be counted in determining a majority protest. If written protests are received from the owners or authorized representatives of businesses in the proposed district that will pay 50 percent or more of the assessments proposed to be levied and protests are not withdrawn so as to reduce the protests to less than 50 percent, no further proceedings to levy the proposed assessment against such businesses, as contained in the resolution of intention, shall be taken for a period of one year from the date of the finding of a majority protest by the city council.

(c) If a city council proposes to conduct a single proceeding to levy both a new or increased property assessment and a new or increased business assessment, the notice and protest and hearing procedure for the property assessment shall comply with subdivision (a), and the notice and protest and hearing procedure for the business assessment shall comply with subdivision (b). If a majority protest is received from either the property or business owners, that respective portion of the assessment shall not be levied. The remaining portion of the assessment may be levied unless the improvement or other special benefit was proposed to be funded by assessing both property and business owners.

36624. Changes to proposed assessments

At the conclusion of the public hearing to establish the district, the city council may adopt, revise, change, reduce, or modify the proposed assessment or the type or types of improvements, maintenance, and activities to be funded with the revenues from the assessments. Proposed assessments may only be revised by reducing any or all of them. At the public hearing, the city council may only make changes in, to, or from the boundaries of the proposed property and business improvement district that will exclude territory that will not benefit from the proposed improvements, maintenance, and activities. Any modifications, revisions, reductions, or changes to the proposed assessment district shall be reflected in the notice and map recorded pursuant to Section 36627.

36625. Resolution of formation

(a) If the city council, following the public hearing, decides to establish a proposed property and business improvement district, the city council shall adopt a resolution of formation that shall include, but is not limited to, all of the following:

- (1) A brief description of the proposed improvements, maintenance, and activities, the amount of the proposed assessment, a statement as to whether the assessment will be levied on property, businesses, or both within the district, a statement on whether bonds will be issued, and a description of the exterior boundaries of the proposed district, which may be made by reference to any plan or map that is on file with the clerk. The descriptions and statements need not be detailed and shall be sufficient if they enable an owner to generally identify the nature and extent of the improvements, maintenance, and activities and the location and extent of the proposed district.
- (2) The number, date of adoption, and title of the resolution of intention.
- (3) The time and place where the public hearing was held concerning the establishment of the district.
- (4) A determination regarding any protests received. The city shall not establish the district or levy assessments if a majority protest was received.
- (5) A statement that the properties, businesses, or properties and businesses in the district established by the resolution shall be subject to any amendments to this part.
- (6) A statement that the improvements, maintenance, and activities to be conferred on businesses and properties in the district will be funded by the levy of the assessments. The revenue from the levy of assessments within a district shall not be used to provide improvements, maintenance, or activities outside the district or for any purpose other than the purposes specified in the resolution of intention, as modified by the city council at the hearing concerning establishment of the district. Notwithstanding the foregoing, improvements and activities that must be provided outside the

district boundaries to create a special or specific benefit to the assessed parcels or businesses may be provided, but shall be limited to marketing or signage pointing to the district.

(7) A finding that the property or businesses within the area of the property and business improvement district will be benefited by the improvements, maintenance, and activities funded by the proposed assessments, and, for a property-based district, that property within the district will receive a special benefit.

(8) In a property-based district, the total amount of all special benefits to be conferred on the properties within the property-based district.

(b) The adoption of the resolution of formation and, if required, recordation of the notice and map pursuant to Section 36627 shall constitute the levy of an assessment in each of the fiscal years referred to in the management district plan.

36627. Notice and assessment diagram

Following adoption of the resolution establishing district assessments on properties pursuant to Section 36625, the clerk shall record a notice and an assessment diagram pursuant to Section 3114. No other provision of Division 4.5 (commencing with Section 3100) applies to an assessment district created pursuant to this part.

36628. Establishment of separate benefit zones within district; Categories of businesses

The city council may establish one or more separate benefit zones within the district based upon the degree of benefit derived from the improvements or activities to be provided within the benefit zone and may impose a different assessment within each benefit zone. If the assessment is to be levied on businesses, the city council may also define categories of businesses based upon the degree of benefit that each will derive from the improvements or activities to be provided within the district and may impose a different assessment or rate of assessment on each category of business, or on each category of business within each zone.

36628.5. Assessments on businesses or property owners

The city council may levy assessments on businesses or on property owners, or a combination of the two, pursuant to this part. The city council shall structure the assessments in whatever manner it determines corresponds with the distribution of benefits from the proposed improvements, maintenance, and activities, provided that any property-based assessment conforms with the requirements set forth in paragraph (2) of subdivision (k) of Section 36622.

36629. Provisions and procedures applicable to benefit zones and business categories

All provisions of this part applicable to the establishment, modification, or disestablishment of a property and business improvement district apply to the establishment, modification, or disestablishment of benefit zones or categories of business. The city council shall, to establish, modify, or disestablish a benefit zone or category of business, follow the procedure to establish, modify, or disestablish a property and business improvement district.

36630. Expiration of district; Creation of new district

If a property and business improvement district expires due to the time limit set pursuant to subdivision (h) of Section 36622, a new management district plan may be created and the district may be renewed pursuant to this part.

CHAPTER 3. Assessments

36631. Time and manner of collection of assessments; Delinquent payments

The collection of the assessments levied pursuant to this part shall be made at the time and in the manner set forth by the city council in the resolution levying the assessment. Assessments levied on real property may be collected at the same time and in the same manner as for the ad valorem property tax, and may provide for the same lien priority and penalties for delinquent payment. All delinquent payments for assessments levied pursuant to this part may be charged interest and penalties.

36632. Assessments to be based on estimated benefit; Classification of real property and businesses; Exclusion of residential and agricultural property

- (a) The assessments levied on real property pursuant to this part shall be levied on the basis of the estimated benefit to the real property within the property and business improvement district. The city council may classify properties for purposes of determining the benefit to property of the improvements and activities provided pursuant to this part.
- (b) Assessments levied on businesses pursuant to this part shall be levied on the basis of the estimated benefit to the businesses within the property and business improvement district. The city council may classify businesses for purposes of determining the benefit to the businesses of the improvements and activities provided pursuant to this part.
- (c) Properties zoned solely for residential use, or that are zoned for agricultural use, are conclusively presumed not to benefit from the improvements and service funded through these assessments, and shall not be subject to any assessment pursuant to this part.

36633. Time for contesting validity of assessment

The validity of an assessment levied under this part shall not be contested in an action or proceeding unless the action or proceeding is commenced within 30 days after the resolution levying the assessment is adopted pursuant to Section 36625. An appeal from a final judgment in an action or proceeding shall be perfected within 30 days after the entry of judgment.

36634. Service contracts authorized to establish levels of city services

The city council may execute baseline service contracts that would establish levels of city services that would continue after a property and business improvement district has been formed.

36635. Request to modify management district plan

The owners' association may, at any time, request that the city council modify the management district plan. Any modification of the management district plan shall be made pursuant to this chapter.

36636. Modification of plan by resolution after public hearing; Adoption of resolution of intention

- (a) Upon the written request of the owners' association, the city council may modify the management district plan after conducting one public hearing on the proposed modifications. The city council may modify the improvements and activities to be funded with the revenue derived from the levy of the assessments by adopting a resolution determining to make the modifications after holding a public hearing on the proposed modifications. If the modification includes the levy of a new or increased assessment, the city council shall comply with Section 36623. Notice of all other public hearings pursuant to this section shall comply with both of the following:
 - (1) The resolution of intention shall be published in a newspaper of general circulation in the city once at least seven days before the public hearing.
 - (2) A complete copy of the resolution of intention shall be mailed by first class mail, at least 10 days before the public hearing, to each business owner or property owner affected by the proposed modification.
- (b) The city council shall adopt a resolution of intention which states the proposed modification prior to the public hearing required by this section. The public hearing shall be held not more than 90 days after the adoption of the resolution of intention.

36637. Reflection of modification in notices recorded and maps

Any subsequent modification of the resolution shall be reflected in subsequent notices and maps recorded pursuant to Division 4.5 (commencing with Section 3100), in a manner consistent with the provisions of Section 36627.

36638. Assessment as government imposed fee on Civ C § 1770 transaction [Operative July 1, 2024]

- (a) A business assessment pursuant to this part is a fee imposed by a government on the transaction for purposes of paragraph (29) of subdivision (a) of Section 1770 of the Civil Code.
- (b) This section shall become operative on July 1, 2024.

CHAPTER 3.5. Financing

36640. Bonds authorized; Procedure; Restriction on reduction or termination of assessments

- (a) The city council may, by resolution, determine and declare that bonds shall be issued to finance the estimated cost of some or all of the proposed improvements described in the resolution of formation adopted pursuant to Section 36625, if the resolution of formation adopted pursuant to that section provides for the issuance of bonds, under the Improvement Bond Act of 1915 (Division 10 (commencing with Section 8500)) or in conjunction with Marks-Roos Local Bond Pooling Act of 1985 (Article 4 (commencing with Section 6584) of Chapter 5 of Division 7 of Title 1 of the Government Code). Either act, as the case may be, shall govern the proceedings relating to the issuance of bonds, although proceedings under the Bond Act of 1915 may be modified by the city council as necessary to accommodate assessments levied upon business pursuant to this part.
- (b) The resolution adopted pursuant to subdivision (a) shall generally describe the proposed improvements specified in the resolution of formation adopted pursuant to Section 36625, set forth the estimated cost of those improvements, specify the number of annual installments and the fiscal years during which they are to be collected. The amount of debt service to retire the bonds shall not exceed the amount of revenue estimated to be raised from assessments over 30 years.
- (c) Notwithstanding any other provision of this part, assessments levied to pay the principal and interest on any bond issued pursuant to this section shall not be reduced or terminated if doing so would interfere with the timely retirement of the debt.

CHAPTER 4. Governance

36650. Report by owners' association; Approval or modification by city council

- (a) The owners' association shall cause to be prepared a report for each fiscal year, except the first year, for which assessments are to be levied and collected to pay the costs of the improvements, maintenance, and activities described in the report. The owners' association's first report shall be due after the first year of operation of the district. The report may propose changes, including, but not limited to, the boundaries of the property and business improvement district or any benefit zones within the district, the basis and method of levying the assessments, and any changes in the classification of property, including any categories of business, if a classification is used.
- (b) The report shall be filed with the clerk and shall refer to the property and business improvement district by name, specify the fiscal year to which the report applies, and, with respect to that fiscal year, shall contain all of the following information:
 - (1) Any proposed changes in the boundaries of the property and business improvement district or in any benefit zones or classification of property or businesses within the district.
 - (2) The improvements, maintenance, and activities to be provided for that fiscal year.
 - (3) An estimate of the cost of providing the improvements, maintenance, and activities for that fiscal year.
 - (4) The method and basis of levying the assessment in sufficient detail to allow each real property or business owner, as appropriate, to estimate the amount of the assessment to be levied against his or her property or business for that fiscal year.
 - (5) The estimated amount of any surplus or deficit revenues to be carried over from a previous fiscal year.
 - (6) The estimated amount of any contributions to be made from sources other than assessments levied pursuant to this part.
- (c) The city council may approve the report as filed by the owners' association or may modify any particular contained in the report and approve it as modified. Any modification shall be made pursuant to Sections 36635 and 36636.

The city council shall not approve a change in the basis and method of levying assessments that would impair an authorized or executed contract to be paid from the revenues derived from the levy of

assessments, including any commitment to pay principal and interest on any bonds issued on behalf of the district.

36651. Designation of owners' association to provide improvements, maintenance, and activities

The management district plan may, but is not required to, state that an owners' association will provide the improvements, maintenance, and activities described in the management district plan. If the management district plan designates an owners' association, the city shall contract with the designated nonprofit corporation to provide services.

CHAPTER 5. Renewal

36660. Renewal of district; Transfer or refund of remaining revenues; District term limit

- (a) Any district previously established whose term has expired, or will expire, may be renewed by following the procedures for establishment as provided in this chapter.
- (b) Upon renewal, any remaining revenues derived from the levy of assessments, or any revenues derived from the sale of assets acquired with the revenues, shall be transferred to the renewed district. If the renewed district includes additional parcels or businesses not included in the prior district, the remaining revenues shall be spent to benefit only the parcels or businesses in the prior district. If the renewed district does not include parcels or businesses included in the prior district, the remaining revenues attributable to these parcels shall be refunded to the owners of these parcels or businesses.
- (c) Upon renewal, a district shall have a term not to exceed 10 years, or, if the district is authorized to issue bonds, until the maximum maturity of those bonds. There is no requirement that the boundaries, assessments, improvements, or activities of a renewed district be the same as the original or prior district.

CHAPTER 6. Disestablishment

36670. Circumstances permitting disestablishment of district; Procedure

- (a) Any district established or extended pursuant to the provisions of this part, where there is no indebtedness, outstanding and unpaid, incurred to accomplish any of the purposes of the district, may be disestablished by resolution by the city council in either of the following circumstances:
 - (1) If the city council finds there has been misappropriation of funds, malfeasance, or a violation of law in connection with the management of the district, it shall notice a hearing on disestablishment.
 - (2) During the operation of the district, there shall be a 30-day period each year in which assessees may request disestablishment of the district. The first such period shall begin one year after the date of establishment of the district and shall continue for 30 days. The next such 30-day period shall begin two years after the date of the establishment of the district. Each successive year of operation of the district shall have such a 30-day period. Upon the written petition of the owners or authorized representatives of real property or the owners or authorized representatives of businesses in the district who pay 50 percent or more of the assessments levied, the city council shall pass a resolution of intention to disestablish the district. The city council shall notice a hearing on disestablishment.
- (b) The city council shall adopt a resolution of intention to disestablish the district prior to the public hearing required by this section. The resolution shall state the reason for the disestablishment, shall state the time and place of the public hearing, and shall contain a proposal to dispose of any assets acquired with the revenues of the assessments levied within the property and business improvement district. The notice of the hearing on disestablishment required by this section shall be given by mail to the property owner of each parcel or to the owner of each business subject to assessment in the district, as appropriate. The city shall conduct the public hearing not less than 30 days after mailing the notice to the property or business owners. The public hearing shall be held not more than 60 days after the adoption of the resolution of intention.

36671. Refund of remaining revenues upon disestablishment or expiration without renewal of district; Calculation of refund; Use of outstanding revenue collected after disestablishment of district

- (a) Upon the disestablishment or expiration without renewal of a district, any remaining revenues, after all outstanding debts are paid, derived from the levy of assessments, or derived from the sale of assets acquired with the revenues, or from bond reserve or construction funds, shall be refunded to the owners of the property or businesses then located and operating within the district in which assessments were levied by applying the same method and basis that was used to calculate the assessments levied in the fiscal year in which the district is disestablished or expires. All outstanding assessment revenue collected after disestablishment shall be spent on improvements and activities specified in the management district plan.
- (b) If the disestablishment occurs before an assessment is levied for the fiscal year, the method and basis that was used to calculate the assessments levied in the immediate prior fiscal year shall be used to calculate the amount of any refund.

APPENDIX 2 – ASSESSED BUSINESSES

Assessed Berkeley Tourism BID Contributors, lodgings with 5 or more rooms, as of: March 2025

Business Name	Site Address	City, State	ZIP
Aiden by Best Western	1499 University Ave.	Berkeley, CA	94702
Bancroft Hotel	2680 Bancroft Way	Berkeley, CA	94704
Berkeley City Club	2315 Durant Ave.	Berkeley, CA	94704
Berkeley Travelodge (Sather Hotel by Wyndham Berkeley)	1820 University Ave.	Berkeley, CA	94703
Doubletree Berkeley Marina	200 Marina Blvd.	Berkeley, CA	94710
Downtown Berkeley Inn	2001 Bancroft Way	Berkeley, CA	94704
Graduate Berkeley	2600 Durant Ave.	Berkeley, CA	94704
Holiday Inn Express	1175 University Ave.	Berkeley, CA	94702
Hotel Shattuck Plaza	2086 Allston Way	Berkeley, CA	94704
Howard Johnson Hotel	1512 University Ave.	Berkeley, CA	94702
Marina Inn	975 University Ave.	Berkeley, CA	94710
Nash Hotel	2045 University Ave.	Berkeley, CA	94704
Prima Donna Hotels Inc., dba Sens Hotel & Bistro Berkeley	1540 Shattuck Ave.	Berkeley, CA	94709
Residence Inn	2121 Center St.	Berkeley, CA	94704
Rose Garden Inn	2740 Telegraph Ave.	Berkeley, CA	94705
University Inn	920 University Ave.	Berkeley, CA	94710
Urban Adamah	1151 Sixth St.	Berkeley, CA	94710
Vista Inn & Suites, dba Quality Inn	1761 University Ave.	Berkeley, CA	94703
YMCA of the East Bay	2001 Allston Way	Berkeley, CA	94704

**NOTICE OF PUBLIC MEETING AND PUBLIC HEARING
BERKELEY CITY COUNCIL**

**CONCERNING THE RENEWAL OF THE BERKELEY TOURISM
BUSINESS IMPROVEMENT DISTRICT AND LEVY OF AN
ASSESSMENT ON CERTAIN LODGING BUSINESSES WITHIN THE
DISTRICT**

NOTICE IS HEREBY GIVEN that on May 6, 2025, the City Council (the "Council") of the City of Berkeley (the "City") adopted a Resolution of Intention to renew the Berkeley Tourism Business Improvement District (the "BTBID") and to levy an assessment on certain lodging businesses within the BTBID as set forth in the attached Resolution of Intention.

NOTICE IS HEREBY FURTHER GIVEN that at 6:00 PM on June 3, 2025, at the School District Board Room located at 1231 Addison Street, Berkeley, CA 94702, a public meeting shall be held pursuant to Government Code section 54954.6 to allow public testimony regarding the renewal of the BTBID and the levy of assessments therein as set forth in the enclosed Resolution of Intention and pursuant to Government Code section 54954.6.

NOTICE IS HEREBY FURTHER GIVEN that at 6:00 PM on June 24, 2025, at School District Board Room located at 1231 Addison Street, Berkeley, CA 94702 has been set as the time and place for a public hearing at which time the City Council proposes to renew the BTBID and to levy the proposed assessment as set forth in the Resolution of Intention.

Location: The renewed BTBID includes all lodging businesses, existing and in the future, with five (5) rooms or more, available for public occupancy within the boundaries of the City.

Services: The BTBID is designed to provide specific benefits directly to payors by increasing awareness and demand for room night sales. Marketing & sales promotions and cultural tourism programs will increase demand for overnight tourism and market payors as tourist, meeting and event destinations, thereby increasing demand for room night sales.

Budget: The total BTBID annual assessment budget for the initial year of its ten (10) year operation is anticipated to be approximately \$2,221,000. A similar assessment budget is expected to apply to subsequent years, but this assessment budget is expected to fluctuate as room sales do and as businesses open and close.

Cost: The existing annual assessment rate is one percent (1%) of gross short-term room rental revenue. Based on the benefit received, assessments will not be collected on: stays of more than thirty (30) consecutive days; stays

by any officer or employee of a government who is exempt by express provision of federal international treaty; and stays at a bed and breakfast establishment as defined in Section 23F.04.010 of the Berkeley Municipal Code. The proposed annual assessment rate is three percent (3%) of gross short-term sleeping room rental revenue. Based on the benefit received, assessments will not be collected on: stays of more than thirty (30) consecutive days; and stays by any officer or employee of a government who is exempt by express provision of federal international treaty.

Collection: The City will be responsible for collecting the assessment on a monthly basis (including any delinquencies, interest, and overdue charges) from each assessed lodging business located in the boundaries of the BTBID. The City shall take all reasonable efforts to collect the assessments from each assessed lodging business.

Duration: The renewed BTBID will have a ten (10) year life, beginning July 1, 2025 or as soon as possible thereafter, and ending ten (10) years from its start date. After ten (10) years, the BTBID may be renewed pursuant to the Property and Business Improvement District Law of 1994, Streets and Highways Code section 36600 et seq. if business owners support continuing the BTBID programs.

Management: Visit Berkeley shall continue to serve as the BTBID's Owners' Association. The Owners' Association is charged with managing funds and implementing programs and must provide annual reports to the City Council.

Protest: Any owner of a lodging business within the proposed BTBID that will be subject to the assessment may protest the renewal of the BTBID. If written protests are received from the owners of lodging businesses in the proposed BTBID who represent 50 percent (50%) or more of the estimated annual assessments to be levied, the BTBID shall not be renewed, and the assessment shall not be imposed.

You may mail a written protest to:

Office of the City Clerk
City of Berkeley
2180 Milvia Street, 1st Floor
Berkeley, CA 94704

You may also appear at the public meeting or hearing and submit a written protest at that time.

Information: Should you desire additional information about this proposed BTBID or assessment contact:

Jeffrey Church, President & CEO
Visit Berkeley
2030 Addison Street, #102
Berkeley, CA 94704
(510) 549-7040

A copy of the agenda material for this hearing will be available on the City’s website at <https://berkeleyca.gov/> as of June 12, 2025.

Written comments should be mailed or delivered directly to the City Clerk, 2180 Milvia Street, Berkeley, CA 94704, or e-mailed 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 or in person to the City Clerk. 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.

Mailed: May 8, 2025

Notice provided pursuant to Government Code section 54954.6.

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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 June 12, 2025.

\_\_\_\_\_  
Mark Numainville, City Clerk

**NOTICE OF PUBLIC HEARING  
BERKELEY CITY COUNCIL**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BERKELEY  
DECLARING ITS INTENTION TO MODIFY THE BERKELEY TOURISM  
BUSINESS IMPROVEMENT DISTRICT**

NOTICE IS HEREBY GIVEN that at 6:00 PM on June 24, 2025, at the School District Board Room located at 1231 Addison Street, Berkeley, CA 94702 has been set as the time and place for a public hearing at which time the Council proposes to modify the existing BTBID, to conclude service on June 30, 2025, as set forth in the Resolution of Intention.

**Location:** There is no proposed change to BTBID boundaries which include all lodging businesses with five (5) rooms or more, located within the boundaries of the City of Berkeley.

**Services:** The BTBID is designed to provide specific benefits directly to payors by increasing room night sales. Marketing and sales promotions will increase overnight tourism and market payors as tourist, meeting and event destinations, thereby increasing room night sales.

**Budget:** The total BTBID annual budget for each full year of operation is anticipated to be approximately \$557,760. This budget is expected to fluctuate as room sales do, but is not expected to significantly change over the BTBID's term.

**Cost:** There is no change proposed to the annual assessment rate. The current assessment rate is one percent (1%) of gross short-term room rental revenue. Based on the benefit received, assessments will not be collected on: stays of more than thirty (30) consecutive days; stays by any officer or employee of a government who is exempt by express provision of federal international treaty; and stays at a bed and breakfast establishment as defined in Section 23F.04.010 of the Berkeley Municipal Code.

**Collection:** The City of Berkeley will continue to be responsible for collecting the assessment on a monthly basis (including any delinquencies, penalties and interest) from each lodging business with five (5) rooms or more, located in the boundaries of the BTBID. The City shall take all reasonable efforts to collect the assessments from each lodging business.

**Duration:** The modified BTBID will have an eight (8) year life, with a modified ending date of June 30, 2025. The City of Berkeley created the BTBID on April 25, 2017 by Resolution No. 67-926-N.S.; for a ten (10) year term which currently ends on June 30, 2027. The BTBID Owner's Association has requested the City Council to modify the Management District Plan of the

BTBID so that the current BTBID term ends June 30, 2025. The process to modify the current BTBID is set to be completed concurrently with completion of BTBID renewal. That is, the proposed modified BTBID's term will expire on June 30, 2025, and the renewed district will begin on July 1, 2025 with no break in service. The purpose of the modification is to align the BTBID's term with the renewed BTBID, implementing the annual assessment rate of 3% of gross short-term sleeping room rental revenue.

**Management:** Visit Berkeley will continue to serve as the BTBID's Owners' Association. The Owners' Association is charged with managing funds and implementing programs in accordance with the Plan, and must provide annual reports to the City of Berkeley.

**Protest:** Any owner of a lodging business within the proposed BTBID that will be subject to the assessment may protest the modification of the BTBID. If written protests are received from the owners of lodging businesses in the existing BTBID who represent fifty percent (50%) or more of the estimated annual assessments to be levied, the BTBID shall not be modified.

You may mail a written protest to:

Office of the City Clerk  
City of Berkeley  
2180 Milvia Street, 1st Floor  
Berkeley, CA 94704

You may also appear at the public meeting or hearing and submit a written protest at that time.

**Information:** Should you desire additional information about the modified BTBID or assessment contact:

Jeffrey Church, President & CEO  
Visit Berkeley  
2030 Addison Street, #102  
Berkeley, CA 94704  
(510) 549-7040

A copy of the agenda material for this hearing will be available on the City's website at <https://berkeleyca.gov/> as of June 12, 2025.

Written comments should be mailed or delivered directly to the City Clerk, 2180 Milvia Street, Berkeley, CA 94704, or e-mailed to [council@berkeleyca.gov](mailto: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 or in person to the City Clerk. 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](mailto:clerk@berkeleyca.gov) for further information.

**Mailed:** May 27, 2025  
**Notice provided pursuant to Government Code section 54954.6.**

Pursuant to Streets and Highways Code section 36636, notice for the public hearing that will result from the adoption of this Resolution shall be accomplished by mailing a copy of the Resolution to assessed business owners and publishing a copy of the Resolution in a newspaper of general circulation in the City.

“Notice of all other public hearings pursuant to this section shall comply with both of the following:

- (1) The Resolution of Intention shall be published in a newspaper of general circulation in the city once at least seven days before the public hearing.
- (2) A complete copy of the Resolution of Intention shall be mailed by first class mail, at least 10 days before the public hearing, to each business owner or property owner affected by the proposed modification.”

**Mailed:** May 27, 2025  
**Published:** May 23, 2025  
**Notice provided pursuant to Streets and Highways Code section 36636.**

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I hereby certify that the Notice for this Public Meeting and 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 June 12, 2025.

Mark Numainville, City Clerk



Office of the City Manager

PUBLIC HEARING
June 24, 2025

To: Honorable Mayor and Members of the City Council
 From: Paul Buddenhagen, City Manager
 Submitted by: Shana Amenaghawon, Interim Budget Manager
 Subject: FY 2026 Proposed Budget Update Adoption

RECOMMENDATION

Conduct a public hearing and upon conclusion adopt a Resolution adopting the FY 2026 Proposed Budget Update ("FY 26 Proposed Budget") as presented to Council on May 20, 2025, and as amended by subsequent Council action.

FISCAL IMPACTS OF RECOMMENDATION

The FY 2026 Proposed Budget incorporates updates to expenditures and revenue. The FY 2026 Proposed Expenditures are:

Proposed FY2026 Update Expense Budget			
	General Fund Expense	All Other Funds Expense	All Funds Expense
Proposed 5/20/2025	\$ 311,435,259	\$ 470,326,736	\$ 781,761,995
Proposed Changes		\$ 37,487,986	\$ 37,487,986
Total Proposed Gross Appropriations	\$ 311,435,259	\$ 507,814,722	\$ 819,249,981

The FY 2026 Proposed Revenues are:

Proposed FY2026 Update Revenue Budget			
	General Fund Revenue	All Other Funds Revenue	All Funds Revenue
Proposed 5/20/2025	\$ 291,583,351	\$ 442,172,840	\$ 733,756,191
Proposed Changes	\$ 19,851,908	\$ 9,591,803	\$ 29,443,711
Total Proposed Gross Appropriations	\$ 311,435,259	\$ 451,764,643	\$ 763,199,902

The General Fund (Funds 011) reflects general discretionary funding and includes Measure P and funds allocated to Measure U1(Fund 016). The balance (Funds 013 – 900) represents all other funds, such as Enterprise Funds, Internal Service Funds, Grant Funds and Special Funds. The proposed General Fund Revenue Budget includes balancing measures presented at the May 20, 2025 council meeting. Existing fund

balance will be used, and/or other budget-balancing strategies will be implemented to reduce costs to produce a balanced budget wherein revenues will equal or exceed expenditures for FY2026 at the time of budget adoption. This fiscal information will be reflected in a separate Annual Appropriation Ordinance on the City Council's agenda on June 24, 2025.

CURRENT SITUATION AND ITS EFFECTS

The purpose of the FY 2026 Proposed Budget is to provide an update on revenue estimates and recommended changes in planned expenditures since the City Council adopted the Biennial Budget for Fiscal Years 2025 and 2026 on June 25, 2024.

The FY 2026 Proposed Budget was presented to Council on May 20, 2025. Subsequent to the May 20, 2025, public hearing, the City's Budget and Finance Policy Committee held several meetings to discuss the City's Budget and proposed budget-balancing measures.

Although the Council identified outstanding community needs through the budget referral process and requested resources from City departments, no additional General Fund funding requests have been included within the FY 2026 Proposed Budget, given the budget-balancing measures required to address the General Fund deficit.

The Mid-Biennial 2026 Updated Budget includes the anticipated increase in general fund revenue and the proposed balancing measures. It represents a critical step in maintaining a balanced General Fund while facing significant fiscal pressure from rising labor and pension costs, an uncertain economic and federal funding environment, inflation, tariffs, and the costs associated with programmatic priorities exceeding available revenues. Adjustments to labor and pension costs result from Memorandums of Understanding adopted in 2025 or after the FY 2025-2026 Biennial Budget was adopted by the City Council and updated information from CalPERS. Additionally, the unpredictability in some cases and the slow economic recovery post-Covid have caused revenue generation to fall below what is required to cover the City's expansive programmatic priorities and services. While the proposed FY2026 measures close the immediate budget gap, they do not offer a long-term solution. Staff is committed to pursuing sustainable expenditure controls, efficiencies, and revenue-generating strategies for the upcoming biennial budget period.

The primary cost driver in the proposed Mid-Biennial 2026 Budget is the rise in base salaries, as outlined in the negotiated Memoranda of Understanding (MOUs), and increasing pension costs. At the same time, despite positive adjustments to revenues, anticipated resources continue to fall short of expenditures. These factors have contributed to a growing structural deficit, necessitating prompt action to bring a balanced FY 2026 budget.

To address the FY 2026 General Fund shortfall and achieve a balanced budget, after accounting for changes in revenue, the following one-time and short-term measures have been incorporated:

- **Freezing of 42.4 Authorized Positions**
42.4 authorized positions will remain unfunded and unfilled for the fiscal year. This measure reduces ongoing salary and benefit obligations, mitigating General Fund expenditure pressures.
- **Reallocation of 11.8 Positions to Alternative Funding Sources**
A total of 11.8 full-time equivalent (FTE) positions will be cost-shifted to eligible special revenue or enterprise funds. This reallocation helps reduce reliance on the General Fund while ensuring continued service delivery.
- **Elimination of 1 Provisional Temporary Position**
One temporary Police Department position (1.0 FTE) has been removed from the budget, contributing to overall personnel cost savings.
- **Redirection of Workers' Compensation Contributions**
A one-time redirection of FY2026 General Fund contributions to the Workers' Compensation Fund will be implemented. These funds will now be used to offset General Fund expenditures.
- **Use of Section 115 Pension Trust Fund Balance**
Section 115 Pension Trust Fund will be utilized to fulfill a portion of the City's FY2026 pension obligations attributed to the General Fund.
- **Redirection of IT Department Cost Allocation Fund Balance**
A portion of the available fund balance from the Information Technology Department's cost allocation fund will be redirected to the General Fund.
- **Measure U1 Revenue Reallocation**
Approximately \$2.5 million in General Fund revenues generated by Measure U1, initially allocated to the Small Sites Program, will be redirected to offset General Fund and Marina Fund expenditures for FY2026.

The above-mentioned measures close the FY2026 budget gap and maintain balanced budget standards. They also generate the resources needed to address the anticipated FY2026 deficit in the Marina Fund attributable to the loss of significant lease revenue from the Doubletree hotel.

While the above measures resolve the FY2026 deficit, they are not sustainable long-term solutions. The continued use of one-time measures to address recurring cost pressures places the City at risk in future budget cycles. As we look toward the development of the FY2027–2028 Biennial Budget, staff will focus on:

- Reviewing expenditures and developing recommendations to align expenses with revenues
- Reviewing service delivery models to identify efficiencies that could generate cost savings
- Enhancing or pursuing new revenue streams through grants, fees, or potential tax measures

The Mid-Biennial 2026 Updated Budget allows the City to address its current fiscal challenges without reducing core services or eliminating filled positions. For this reason, it is recommended that the City Council adopt the updated FY2026 appropriation to maintain fiscal stability while continuing our work on sustainable financial strategies.

With Council leadership and the assistance of the Budget and Finance Policy Committee, the City can find the balance to achieve its short and long-term goals in a fiscally responsible manner.

ENVIRONMENTAL SUSTAINABILITY AND CLIMATE IMPACTS

Actions included in the budget will be developed and implemented in a manner that is consistent with the City's environmental sustainability goals and requirements.

CONTACT PERSON

Shana Amenaghawon, Interim Budget Manager, City Manager's Office, 981-7000

Attachments:

- 1: Resolution: Adopting FY 2026 Proposed Budget Update
 - Exhibit A: FY 2026 Proposed Budget Update Document
 - Exhibit B: Schedule of Changes to the FY 2026 Proposed Budget Update
2. Public Hearing Notice

RESOLUTION NO.

ADOPTING THE CITY OF BERKELEY PROPOSED BUDGET UPDATE FOR
FISCAL YEAR 2026

WHEREAS, on June 25, 2024, the City Manager presented to the City Council the Fiscal Year 2025 and Fiscal Year 2026 (“FY 2025 and FY 2026”) Proposed Budget; and

WHEREAS, the City’s Budget and Finance Policy Committee and City Council held a series of meetings to consider the Proposed Budget Update, including a public hearing on May 20, 2025; and

WHEREAS, members of the City Council presented recommended revisions to the Proposed Biennial Budget at the Council meeting on June 24, 2025.

NOW THEREFORE, BE IT RESOLVED, that the Council of the City of Berkeley adopts the FY 2026 Budget Update contained in the City Manager’s FY 2026 Proposed Budget presented to Council on May 20, 2025 and as amended by subsequent Council action on June 24, 2025.

BE IT FURTHER RESOLVED that the appropriations constituting the FY 2026 Adopted Budget will be reflected in a separate FY 2026 Annual Appropriation Ordinance, as required by Charter.

Exhibits

Exhibit A: FY 2026 Proposed Budget Update Document

Exhibit B: Schedule of Changes to the FY 2026 Proposed Budget Update



Office of the City Manager

Date: May 5, 2025
 To: City Council/Budget and Finance Policy Committee
 From: Paul Buddenhagen, City Manager
 Submitted by: Henry Oyekanmi, Finance Director
 Subject: Revenue Projection Report for FY2025-2029

General Fund Revenue and Transfers Nine Months FY 2025 vs Nine Months FY 2024 Comparison

Revenue Categories	FY 2025					FY 2024				Comparison FY25 vs FY24	
	Adopted Budget	Adjusted Budget	Actual	Variance	% Received	Adopted	Actual	Variance	% Received	Amount	%
	(a)	(b)	(c)	d=(c) - (b)	(e) = (c)/(b)	(f)	(g)	h=(g) - (f)	(i) = (g)/(f)	(j) = (c) - (g)	(k) = (i)/(f)
Secured Property	\$89,887,496	\$89,887,496	\$55,638,827	(\$34,248,669)	61.90%	\$75,664,920	\$53,314,028	(\$22,350,892)	70.46%	2,324,799	4.36%
Redemptions- Regular	1,018,153	1,018,153	844,536	(173,617)	82.95%	831,441	719,042	-112,399	86.48%	125,494	17.45%
Supplemental Taxes	3,400,000	3,400,000	727,555	(2,672,445)	21.40%	2,000,000	1,197,265	-802,735	59.86%	(469,710)	-39.23%
Unsecured Property Taxes	4,648,038	4,648,038	4,973,066	325,028	106.99%	3,516,000	4,648,038	1,132,038	132.20%	325,028	6.99%
Property Transfer Tax	19,000,000	19,000,000	16,166,344	(2,833,656)	85.09%	34,462,172	12,731,173	-21,730,999	36.94%	3,435,171	26.98%
Property Transfer Tax- Measure P (New December 21, 2018)	6,199,580	6,199,580	6,889,800	690,220	111.13%	14,073,750	3,471,279	-10,602,471	24.66%	3,418,521	98.48%
Sales Taxes	18,884,235	18,884,235	14,200,340	(4,683,895)	75.20%	19,016,546	14,062,877	-4,953,669	73.95%	137,463	0.98%
Soda Taxes	1,147,387	1,147,387	794,470	(352,917)	69.24%	990,210	840,162	-150,048	84.85%	(45,692)	-5.44%
Utility Users Taxes	17,700,000	17,700,000	14,355,777	(3,344,223)	81.11%	13,800,000	12,753,476	-1,046,524	92.42%	1,602,301	12.56%
Transient Occupancy Taxes	7,688,065	7,688,065	5,431,345	(2,256,720)	70.65%	5,000,000	5,957,066	957,066	119.14%	(525,721)	-8.83%
Less: TOT rebates owed (2)			(958,344)				(913,421)			(44,923)	4.92%
Short-term Rentals	1,400,000	1,400,000	1,046,198	(353,802)	74.73%	1,000,000	1,045,648	45,648	104.56%	550	0.05%
Business License Tax	23,664,000	23,664,000	22,145,994	(1,518,006)	93.59%	19,000,000	21,076,289	2,076,289	110.93%	1,069,705	5.08%
Recreational Cannabis	18,000	18,000	40,300	22,300	223.89%	1,400,000	93,121	-1,306,879	6.65%	(52,821)	-56.72%
U1 Revenues	6,500,000	6,500,000	6,237,608	(262,392)	95.96%	4,900,000	5,344,045	444,045	109.06%	893,563	16.72%
Other Taxes (excluding Redemptions- Regular) (3)	4,434,906	4,434,906	3,158,690	(1,276,216)	71.22%	1,800,000	2,286,865	486,865	127.05%	871,825	38.12%
Vehicle In-Lieu Taxes	18,851,257	18,851,257	9,500,999	(9,350,258)	50.40%	15,926,168	8,937,911	-6,988,257	56.12%	563,088	6.30%
Parking Fines- Regular Collections	5,800,000	5,800,000	4,525,061	(1,274,939)	78.02%	4,326,450	4,572,399	245,949	105.68%	(47,338)	-1.04%
Parking Fines- Booting Collections											
Moving Violations	132,600	132,600	118,432	(14,168)	89.32%	132,600	131,377	-1,223	99.08%	(12,945)	-9.85%
Ambulance Fees	7,734,813	7,734,813	6,025,125	(1,709,688)	77.90%	3,880,779	5,735,203	1,854,424	147.78%	289,922	5.06%
Interest Income	13,500,000	13,500,000	11,571,603	(1,928,397)	85.72%	6,000,000	10,145,073	4,145,073	169.08%	1,426,530	14.06%
Franchise Fees	1,822,528	1,822,528	395,608	(1,426,920)	21.71%	1,613,283	456,610	-1,156,673	28.30%	(61,002)	-13.36%
Other Revenue	8,468,797	8,468,797	6,842,761	(1,626,036)	80.80%	6,729,977	5,904,224	-825,753	87.73%	938,537	15.90%
IDC Reimbursement	7,031,624	7,031,624	4,792,742	(2,238,882)	68.16%	5,490,000	4,838,582	-651,418	88.13%	(45,840)	-0.95%
Transfers (4)	4,472,621	9,265,177	7,928,999	3,456,378	177.28%	17,096,148	6,068,943	-11,027,205	35.50%	1,860,056	30.65%
Total Revenue:	\$273,404,100	\$278,196,656	\$203,393,836	-\$74,802,820	73.11%	\$258,650,444	\$185,417,275	-\$73,233,169	71.69%	\$17,976,561	9.70%

Notes:
 (1) This statement is presented on a budgetary basis (i.e., cash).
 (2) Includes the amount of TOT rebates paid during the period
 (3) Total Other Taxes excludes Redemptions-Regular
 (4) Adjustments to adopted budget = Transfers from Section 115 Trust Fund of \$3,000,000 + Transfer from Public Liability Fund for Monsanto's Settlement of \$1,792,556

General Fund revenue and transfers increased \$17,976,561 or 9.7%, from \$185,417,275 in the nine months of FY 2024, to \$203,393,836 for the same period in FY 2025.

Notable increases during the first three Quarters of FY 2025 were the following:

- 1. Secured Property Taxes \$ 2,324,799
- 2. Property Transfer Taxes 3,435,171
- 3. Measure P Property Transfer Taxes 3,418,521
- 4. Utility User Taxes 1,602,301
- 5. Business License Taxes 1,069,705
- 6. Vehicle In Lieu Taxes 563,088
- 7. Interest Income 1,426,530
- 8. Other Revenue 938,537
- 9. Transfers In 1,860,056

FY 2025 NINE MONTHS GENERAL FUND REVENUE DETAILS:

Secured Property Tax (+\$2,324,799 more than FY 2024 Actual)

During the nine months of FY 2025, Secured Property Tax revenues totaled \$55,638,827, which was \$2,324,799 or 4.36% more than the \$53,314,028 received for the same period in FY 2024. This result was lower than the County's Certification of Assessed Valuation (received from the County in August 2024), which reflects growth of 6.39%. However, the shortfall was made up with the County payment made in April.

The FY 2025 Adopted Budget assumed a 5.937% increase for FY 2025, so actual Secured Property Taxes are expected to be \$384,484 or .453% more than the Adopted Budget amount of \$89,887,496.

The Secured Property Tax Revenue projection is being increased from \$89,887,496 to \$90,271,980

Supplemental Taxes (-\$469,710 less than FY 2024 Actual)

During the nine months of FY 2025, Supplemental Taxes totaled \$727,555, which was \$469,710 or 39.2% less than the \$1,197,265 received for the same period in FY 2024

The Supplemental Tax Revenue projection is being decreased from \$3.4 million to \$2.9 million.

Unsecured Property Tax (+\$325,028 more than FY 2024 Actual)

During the nine months of FY 2025, Unsecured Property Tax revenues totaled \$4,973,066, which was \$325,028 or 6.99% more than the amount of \$4,648,038 received for the same period in FY 2024. This amount is greater than the County’s Certification of Assessed Valuation growth of 4.84% for FY 2025.

Please note that Unsecured property taxes are payable once a year and due August 31st.

Property Transfer Tax (+\$3,435,171 more than FY 2024 Actual)

During the nine months of FY 2025, Property Transfer Tax totaled \$16,166,344, which was \$3,435,171 or 27.0% more than the \$12,731,173 received for the same period in FY 2024.

The primary reasons for the \$1,861,060 increase in Property Transfer Tax were the following:

- (1) The dollar value of property sales increased by \$231.3 million or 27.2%, from \$849.4 million in the nine months of FY 2024 to \$1,080.7 billion during the same period of FY 2025, as illustrated in Table 1 below.
- (2) There were nine property sales of \$10 million or more, with total sales of \$234.7 million in the nine months of FY 2025 compared to five property sales of \$10 million or more, with total sales of \$89.9 million in the nine months of FY 2024; and,
- (3) The number of property sales transactions increased by 16 or 3.0% from 526 in the nine months of FY 2024 to 542 during the same period of FY 2025, as illustrated in the Table 2 below.

This increase resulted despite high mortgage rates and a decline in the money supply.

Table 1 - Property Sales in Million \$

	July	Aug	Sept	Oct	Nov	Dec	Total
FY 2025	\$163.3	\$111.0	\$79.3	\$167.5	\$195.4	\$78.1	\$794.6
FY 2024	\$129.2	\$152.5	\$99.9	\$95.7	\$95.8	\$94.4	667.5
Change	34.1	-41.5	-20.6	71.8	99.6	-16.3	127.1
% Change	26.4%	-27.2%	-20.6%	75.0%	104.0%	-17.3%	19.0%

Table 1 - Property Sales in Million \$

	Jan	Feb	Mar	Total
FY 2025	126.2	48.8	111.1	\$1,080.7
FY 2024	65.8	49.8	66.3	849.4
Change	60.4	-1.0	44.8	231.3
% Change	79.3%	-.8%	57.2%	27.2%

Table 2 - Number of Property Sales Transactions

	July	Aug	Sept	Oct	Nov	Dec	Total
FY 2025	75	72	55	69	86	57	414
FY 2024	79	73	64	61	67	62	406
Change	-4	-1	-9	+8	+19	-5	+8
% Change	-5.1%	-1.4%	-14.1%	+13.1%	+28.4%	-8.1%	+2.0%

Table 2 - Number of Property Sales Transactions

	Jan	Feb	Mar	Total
FY 2025	54	30	44	542
FY 2024	41	34	45	526
Change	13	-4	-1	+16
% Change	31.7%	-11.8%	-2.2%	+3.0%

The Property Transfer Tax Revenue projection is being increased from \$19 million to \$22.6 million.

Measure P-Property Transfer Tax (+\$3,418,521 more than FY 2024 Actual)

Measure P taxes totaling \$6,889,800 was collected during the nine months of FY 2025, which was \$3,418,521 or 98.5% more than the \$3,471,279 collected during the same period of FY 2024. This increase resulted primarily from the following: (1) An increase of \$288.2 million or 71.9% in the dollar value of property sales amount in the nine months of FY 2025 versus those in the nine months of FY 2024 as reflected in Table 3; (2) The number of property sales transactions increased by 70 or 63.1% during the first half of FY 2025, as illustrated in the Table 4 below; and,(3) There were nine property sales of \$10 million or more, with total sales of \$234.7 million in the nine months of FY 2025 compared to five property sales of \$10 million or more, with total sales of \$89.9 million in the nine months of FY 2024.

Table 3 - Property Sales \$1.5 Million and Above In Million \$

	July	Aug	Sept	Oct	Nov	Dec	Total
FY 2025	\$113.9	\$55.9	\$31.3	\$123.5	\$137.5	\$33.3	\$495.4
FY 2024	\$62.8	\$87.2	\$48.5	\$51.9	\$33.6	\$42.5	\$326.5
Change	51.1	-31.3	-17.2	71.6	103.9	-9.2	168.9
% Change	81.4%	-35.9%	-35.5%	138.0%	309.2%	-21.6%	51.7%

Table 3 - Property Sales \$1.5 Million and Above In Million \$

	Jan	Feb	Mar	Total
FY 2025	87.5	24.6	81.4	688.9
FY 2024	20.5	22.3	31.4	400.7
Change	67.0	2.3	50.0	288.2
% Change	326.8%	10.3%	159.2%	71.9%

Table 4 - Property Transactions \$1.5 Million and Above

	July	Aug	Sept	Oct	Nov	Dec	Total
FY 2025	31	25	10	26	34	15	141
FY 2024	18	17	12	15	12	13	87
Change	+13	+8	-2	+11	+22	+2	+54
% Change	+72.2%	+47.1%	-18.2%	+73.3%	+183.3%	+15.4%	+62.1%

Table 4 - Property Transactions \$1.5 Million and Above

	Jan	Feb	Mar	Total
FY 2025	16	7	17	181
FY 2024	3	8	13	111
Change	+13	-1	+4	+70
% Change	+433.3%	-12.5%	+30.8%	+63.1%

The Measure P Property Transfer Tax Revenue projection is being increased from \$6.2 million to \$9.1 million.

Sales Tax (+\$137,463 more than FY 2024 Actual)

For the nine months of FY 2025, Sales Tax revenue totaled \$14,200,340, which was \$137,463 or .98% more than the \$14,062,877 received for the same period in FY 2024. The City’s Sales Tax Consultant has noticed a softening of sales in several categories since the Adopted Budget was passed and has revised revenue projections in the following categories:

Category	Adopted Budget	Revised Projection	Difference
General Retail	\$ 4,238,366	\$ 4,030,688	(\$ 207,678)
Food Products	5,560,276	5,735,139	174,863
Transportation	2,502,228	2,212,552	(289,676)
Construction	1,446,252	1,523,947	77,695
Business to Business	1,953,502	1,639,895	(313,607)
Miscellaneous	597,063	747,279	150,216
County Pool	3,728,930	4,014,965	286,035
State Pool	8,320	8,008	(312)
County Sharing	(1,011,769)	(995,624)	16,145
CDTFA Administration	(138,933)	(144,618)	(5,685)
Total	\$18,884,235	\$ 18,772,231	(\$112,004)

The City’s sales tax consultant is currently working on new projections that will take into account, as best as possible, the impacts of recent changes to federal trade policy.

Utility Users Taxes (+\$1,602,301 more than FY 2024 Actual)

Utility Users Tax revenue for the nine months of FY 2025 totaled \$14,355,777, which was \$1,602,301 or 12.6% more than the \$12,753,476 received for the same period in FY 2024.

This increase of \$1,602,301 resulted from increases/decreases in the following categories:

FY 2025 Actual Revenues Compared to FY 2024 Actual Revenues				
	FY2025	FY 2024	\$ Change	% Change
Telephone	\$ 661,004	\$748,334	\$ -87,330	-11.7%
Cable	690,098	718,974	- 28,876	-4.02%
Cellular	1,341,653	1,317,976	23,677	1.80%
Electric	8,847,919	7,502,489	1,345,430	17.9%
Gas	2,815,103	2,465,703	349,400	14.2%
Total	\$14,355,777	\$12,753,476	\$1,602,301	15.98%

On top of significant increases in rates in 2022 and 2023, PG&E rate changes in 2024 were the following:

- On January 1, 2024, PG&E rates increased by about 13% across both generation and delivery.
- On March 1, 2024, PG&E increased delivery rates by 0.3%.
- On April 1, 2024, PG&E rates increased by 1.4%.
- Natural gas prices have also increased this year. On September 1, 2024, PG&E implemented an 8.3% increase in natural gas rates.

The primary reasons PG&E has given for the rate increases are as follows:

- Inflation, including increases in employee and management salaries
- Wildfire mitigation - investing in undergrounding electric lines to reduce the risk of wildfires
- Aging infrastructure that needs to be maintained and upgraded
- Unprecedented weather events
- Pay off debt from the California energy crisis.

Staff is increasing the UUT Revenue projection by \$1.7 million, from \$17.7 million to \$19.4 million.

Transient Occupancy Tax (-\$570,644 less than FY 2024 Actual)

The total net Transient Occupancy Tax (TOT) revenue reported for the nine months of FY 2025 totaled \$4,473,001 (after deducting \$958,344 in TOT rebates owed), which was \$570,644 or 11.3% less than the \$5,043,645 (after deducting \$913,421 in TOT rebates owed) received for the same period in 2024. The decline was primarily attributable to the failure of one of the six largest hotels to pay TOT in any of the nine months and the failure of another one to pay TOT in the last two months of the period.

As a result, the TOT Revenue projection (after rebates are paid) is being decreased from \$7.7 million to \$6.5 million.

Short-Term Rentals (+\$550 more than FY 2024 Actual)

Short-Term Rentals revenue for the nine months of FY 2025 totaled \$1,046,198, which was \$550 or .05% more than the \$1,045,648 received for the same period in FY 2024.

Business License Taxes (+\$1,069,705 more than FY 2024 Actual)

Business license Taxes (BLT) revenue for the nine months of FY 2025 totaled \$22,145,994, which was \$1,069,705 or 5.1% more than the \$21,076,289 received for the same period in FY 2024.

The \$1,069,705 increase primarily resulted from a 14.4% increase in Rental of real property from \$14,744, 916 in the nine months of FY 2024 to \$16,566,946 for the same period in FY 2025; and an increase of 14.0% in Professional/Semi-professional from 5,696,580 in the nine months of FY 2024 to \$6,493,817 for the same period in FY 2025. These increases were offset by declines in other revenue categories such as retail trade, which declined by \$148, 266 or 8%. In addition, in FY 2025, there were more overall license renewals, but the average business license tax went down from \$1,121 in FY 2024 to \$775 in FY 2025.

As a result of the overall trend through nine months in FY 2025, the BLT Revenue projection is being increased from \$23.8 million to \$24 million.

U1 Revenues (+\$893,563 more than FY 2024 Actual)

U1 revenues for the nine months of FY 2025 totaled \$6,237,608, which was \$893,563 or 16.7% more than the \$5,344,045 received for the same period in FY 2024.

Other Taxes (+\$871,825 more than FY 2024 Actual)

Other Taxes (excluding Redemptions-Regular) for the nine months of FY 2025 totaled \$3,158,690 which was \$871,825 or 38.1% more than the \$2,286,865 received for the same period in FY 2024. The primary reason for the increase was Transportation Network Company User Tax (TNC User Tax) totaling \$759,376 were incorrectly recorded as Other Revenue, instead of Other Taxes in FY 2024. In FY 2025, a total of \$839,614 in TNC User Taxes was recorded as Other Taxes.

Vehicle In Lieu Taxes (+\$563,088 more than FY 2024 Actual)

Vehicle in Lieu Taxes (VLF) for the nine months of FY 2025 totaled \$9,500,999, which was \$563,088 or 6.30% more than the \$8,937,911 received for the same period in FY 2024. This result was consistent with the County's Certification of Assessed Valuation (received in August 2024), which reflects growth of 6.39%. Changes in VLF revenues are based on the growth in assessed values. However, the Adopted Budget reflects growth of 5.50%, so actual Vehicle In Lieu Taxes are expected to be \$159,030 or .89% more than the Adopted Budget amount of \$18,851,257.

The FY 2025 Vehicle In Lieu Tax projection is being increased from \$18,851,257 to \$19,010,287.

Parking Fines (-\$47,338 less than FY 2024 Actual)

Parking Fines revenue for the nine months of FY 2025 totaled \$4,525,061, which was \$47,338 or 1.04% less than the \$4,572,399 received for the same period in FY 2024.

For the nine months of FY 2025, ticket writing increased by 13,025 or 11.7% from 111,402 in the nine months of FY 2024 to 124,427 in the same period in FY 2025, as follows:

	July	Aug	Sept	Oct	Nov	Dec	Subtotal
FY 2025	14,221	15,033	14,744	14,872	13,308	14,790	86,968
FY 2024	12,623	14,122	13,099	13,087	12,425	11,662	77,018
Difference	1,598	911	1,645	1,785	883	3,128	9,950
% Difference	12.7%	6.5%	12.6%	13.6%	7.11%	26.8%	12.9%

	Jan	Feb	Mar	Total
FY 2025	10,827	12,830	13,802	124,427
FY 2024	10,990	11,407	11,987	111,402
Difference	-163	1,423	1,815	13,025
% Difference	-1.48%	12.5%	15.1%	11.7%

Despite the 11.7% increase in ticket writing during the nine months of FY 2025, revenue declined \$47,338 or 1.04%. Staff believes the decline was attributable to changes in how parking fines are allowed to be collected in California. For example, towing and removal of vehicles for non-payment of parking citations is no longer allowed in California. Staff is seeing vehicles that have thousands of dollars in delinquent parking citations that customers are not paying.

As a result, the FY 2025 Parking Fines projection is being increased from \$5.8 million to \$5.9 million.

Ambulance Fees (+\$289,922 more than FY 2024 Actual)

Ambulance Fees revenue for the nine months of FY 2025 totaled \$6,025,125, which was \$289,922 or 5.1% more than the \$5,735,203 received for the same period in FY 2024. Transports for the nine months of FY 2025 were flat increasing by 19, from 4,840 in the nine months of FY 2024 to 4,860 in the nine months of FY 2025. Therefore, the \$289,922 increase for the period was due to increases in the following Ambulance Fee rates:

CHARGE	FY 2025 Rates	FY 2024 Rates	Difference	% Difference
ALS 1	\$4,551.06	\$3,664.87	\$886.19	24.18%
ALS 2	4551.06	3664.87	886.19	24.18%
Assessment at Scene	812.46	735.01	77.45	10.54%
BLSE 1	4551.06	3664.87	886.19	24.18%
MILE 1	91.41	82.69	8.72	10.55%
Oxygen	302.64	273.79	28.85	10.54%

As a result, the FY 2025 Ambulance Fees projection is being increased from \$7.7 million to \$8.16 million.

Interest Income (+\$1,426,530 more than FY 2024 Actual)

For the nine months of FY 2025, Interest Income totaled \$11,571,603, which was \$1,426,530 or 14.1% more than the total of \$10,145,073 received for the same period in FY 2024. This increase was primarily attributable to a slight increase in the net interest rate earned by the City in the first half of FY 2025 from a range of 2.84% - 3.10% during the first half of FY 2024, to a range of 2.93% - 3.32% during the first half of FY 2025. The rates for the third quarter of FY 2025 were slightly lower than those of FY 2024 as follows:

Monthly Net Interest Rate Earned:

FY	July	Aug	Sept	Oct	Nov	Dec
2025	3.32%	3.18%	3.04%	3.05%	2.93%	3.05%
2024	3.10%	3.02%	2.95%	2.95%	2.88%	2.84%

FY	Jan	Feb	Mar
2025	2.98%	2.92%	3.00%
2024	3.18%	3.05%	3.11%

Other Revenues (+\$938,537 more than FY 2024 Actual)

Other Revenues primarily consists of licenses and permits, grants, preferential parking fees, general government charges for services, public safety charges for services, health charges for services, culture and recreation charges for services, rents and royalties, and other miscellaneous revenues that are not considered major.

Other Revenues for the nine months of FY 2025 totaled \$6,842,761 which was \$938,537 or 15.9% more than the \$5,904,224 received for the same period in FY 2024. This increase of \$938,537 was primarily attributable to (1) An increase of \$145,725 in the Peer-to-Peer Car Sharing Permit, and (2) an increase of \$544,139 in Mutual Aid Reimbursements in the nine months of FY 2025.

In addition, a premium received on the FY 2025 TRAN of \$702,591 was recorded as revenue in FY 2025. The premium paid to the City was not actually revenue, it was a liability that was paid by the purchaser of the City’s Notes when the coupon interest rate was higher than the market rate at the time the Notes were issued. It will be used to offset the interest expense paid by the City on the Notes, rather than be recorded as revenue.

Staff did not increase the FY 2025 Other Revenues projection because it includes \$702,591 in TRAN premium that will be reclassified as a credit to Interest Expense, and the FY 2024 total includes TNC User Taxes totaling \$759,376, which makes the FY 2025 increase larger than it actually was.

Indirect Cost Reimbursements (-\$45,840 less than FY 2024 Actual)

IDC Reimbursement (IDC) decreases result from decreases in the indirect cost allocation base (i.e., total direct salaries and wages in the fund), a decrease in the indirect cost rate or a combination of decreases or increases in both factors. IDC for the nine months of FY 2025 totaled \$4,792,742, which was \$45,840 or .95% less than the \$4,838,582 received for the same period in FY 2024. The decline was primarily accounted for by a decrease in IDC rates from 21% in FY 2024 to an average of 19.76% in FY 2025. The net decrease resulting from these changes in rates were partially offset by an increase of \$2,913,690 or 13.7% in the indirect cost allocation base (total direct salaries and wages) from \$21,234,357 in the nine months of FY 2024 to \$24,148,047 for the same period in FY 2025, creating a net decline of \$45,840 or .95% in total IDC.

Staff is lowering the FY 2025 Indirect Cost Reimbursement projection from \$7.0 million to \$6.9 million.

Transfers (+\$1,860,056 more than FY 2024 Actual)

Transfers from other funds for the nine months of FY 2025 totaled \$7,928,999 which was \$1,860,056 or 30.6% more than the \$6,068,943 received for the same period in FY 2024. This was primarily attributable to the Transfer of \$2,441,808 from the American Rescue Plan Fund (ARPA) to recover from the impact of the COVID-19 pandemic in FY 2024, compared to no ARPA Transfers in FY 2025; and, a decline in the Parking Meter Fund transfers of \$625,000, from \$1,306,716 in FY 2024 to \$781,716 in FY 2025. These declines were offset by a \$1,792,557 one-time Monsanto lawsuit settlement and a transfer of \$3,000,000 from the Section 115 Trust Fund to pay pension benefits.

5 YEARS PROJECTED GENERAL FUND REVENUES

	FY 2024 Actual	FY 2025 Adopted	FY 2025 Adjusted	FY 2025 Revised	FY 2026	FY 2027	FY 2028	FY 2029
Undesignated Revenues								
Secured Property Taxes	84,850,061	89,887,496	89,887,496	90,271,980	95,236,939	98,570,232	102,020,190	105,590,897
Supplemental Taxes	2,842,273	3,400,000	3,400,000	2,900,000	2,900,000	2,900,000	2,900,000	2,900,000
Unsecured Property Taxes	4,506,444	4,648,038	4,648,038	4,973,066	4,973,066	4,973,066	4,973,066	4,973,066
Property Transfer Taxes	16,000,000	16,000,000	16,000,000	16,000,000	16,000,000	16,000,000	16,000,000	16,000,000
Property Transfer Tax - Measure P	6,272,861	6,199,580	6,199,580	9,105,870	9,100,000	9,100,000	9,100,000	9,100,000
Sales Taxes	18,717,040	18,884,235	18,884,235	18,884,235	19,106,713	19,285,518	19,624,815	19,935,457
Soda Tax	1,101,210	1,147,387	1,147,387	1,147,387	1,147,387	1,147,387	1,147,387	1,147,387
Utility Users Taxes	17,209,441	17,700,000	17,700,000	19,396,728	19,396,728	19,396,728	19,396,728	19,396,728
Transient Occupancy Taxes(TOT)	8,224,852	7,688,065	7,688,065	7,660,450	7,660,450	7,660,450	7,660,450	7,660,450
TOT Rebates	-1,245,529			-1,160,450	-1,160,450	-1,160,450	-1,160,450	-1,160,450
Short-term Rentals	1,475,544	1,400,000	1,400,000	1,400,000	1,400,000	1,400,000	1,400,000	1,400,000
Business License Taxes	23,754,846	23,664,000	23,664,000	24,000,000	24,480,000	24,969,600	25,468,992	25,978,372
Recreational Cannabis	152,834	18,000	18,000	18,000	18,000	18,360	18,727	19,102
Measure U1	6,322,118	6,500,000	6,500,000	6,500,000	6,500,000	6,500,000	6,500,000	6,500,000
Vacancy Tax					3,500,000	3,750,000	3,750,000	3,862,500
Other Taxes*	5,303,777	5,453,059	5,453,059	5,453,059	5,453,059	5,453,059	5,453,059	5,453,059
Vehicle In Lieu Taxes	17,875,821	18,851,257	18,851,257	19,010,287	20,055,853	20,757,808	21,484,331	22,236,282
Parking Fines - Regular Collections	6,034,002	5,800,000	5,800,000	5,900,000	5,900,000	5,900,000	5,900,000	5,900,000
Moving Violations	166,152	132,600	132,600	132,600	132,600	135,252	137,957	137,957
Ambulance Fees	7,910,668	7,734,813	7,734,813	8,158,939	8,900,000	8,900,000	8,900,000	8,900,000
Interest Income	15,155,999	13,500,000	13,500,000	13,500,000	14,000,000	14,500,000	14,500,000	14,500,000
Franchise Fees	2,008,162	1,822,528	1,822,528	1,822,528	1,822,528	1,822,528	1,822,528	1,822,528
Other Revenues	6,821,501	8,468,797	8,468,797	8,000,000	8,000,000	8,000,000	8,000,000	8,000,000
Indirect cost reimbursements	6,720,690	7,031,624	7,031,624	6,931,624	7,070,256	7,211,662	7,355,895	7,503,013
Transfers	13,591,924	4,472,621	9,265,177	8,974,480	3,990,222	3,990,222	3,990,222	3,990,222
Total Undesignated Revenues	271,772,691	270,404,100	\$275,196,656	278,980,783	285,583,351	291,181,421	296,343,897	301,746,569
Designated Revenues								
Prop. Transfer Taxes for capital improvements	1,528,223	3,000,000	\$ 3,000,000.00	6,583,402	6,000,000	6,000,000	6,000,000	6,000,000
Total Designated Revenues	1,528,223	3,000,000	\$ 3,000,000.00	6,583,402	6,000,000	6,000,000	6,000,000	6,000,000
TOTAL REVENUES AND TRANSFERS	\$ 273,300,914	\$ 273,404,100	\$ 278,196,656	\$ 285,564,185	\$ 291,583,351	\$ 297,181,421	\$ 302,343,897	\$ 307,746,569

(1) This statement is presented on a budgetary basis (i.e., cash).

(2) Total Other Taxes excludes Redemptions-Regular

(4) Adjustments to adopted budget = Transfers from Section 115 Trust Fund of \$3,000,000 + Transfer from Public Liability Fund for Monsanto's Settlement of \$1,792,556

Notes to Multi-Year General Fund Revenue Projections Based on Nine Months FY 2025 Actual

Secured Property Taxes

During the nine months of FY 2025, Secured Property Tax revenues totaled \$55,638,827, which was \$2,324,799 or 4.36% more than the \$53,314,028 received for the same period in FY 2024. This result was less than the County's Certification of Assessed Valuation (received from the County in August 2024), which reflects growth of 6.39%. However, the shortfall was made up with the County payment in April.

Staff projects Secured Property Tax growth of 6.39% in FY 2025; 5.5% in FY 2026 and 3.5% for FY 2027 through FY 2029.

Property Transfer Tax

Given the dramatic slowdown in the real estate market in FY 2023 and FY 2024, the high interest rates (including mortgage rates that exceeded 8% at one point, but have receded to slightly under 7%), and high inflation slowing down consumer spending, staff expected a mild recovery in property sales activity and increases in property values in FY 2025.

Over the 5 years prior to the pandemic, transfer tax revenues grew 6% per year on average, but the high level of mortgage rates and tighter credit standards have made buyers and sellers reluctant to be involved in real estate transactions; this will continue to negatively impact sales prices and volumes somewhat in the next few years.

After the sharp decline in FY 2023 (46.7%) and FY 2024 (23.4%) growth in Property Transfer Tax revenue, Staff expected revenue growth of 8.4% in FY 2025, but the results exceeded expectation and is projected to increase by 24.2% from the FY 2024 results.

During the nine months of FY 2025, Property Transfer Tax totaled \$16,166,344, which was \$3,435,171 or 27.0% more than the \$12,731,173 received for the same period in FY 2024.

The primary reasons for the \$3,435,171 increase in Property Transfer Tax were the following:

- (4) The dollar value of property sales increased by \$231.3 million or 27.2%, from \$849.4 million in the nine months of FY 2024 to \$1.080.7 billion during the same period of FY 2025.
- (5) There were nine property sales of \$10 million or more, with total sales of \$234.7 million in the nine months of FY 2025 compared to five property sales of \$10 million or more, with total sales of \$89.9 million in the nine months of FY 2024; and,
- (6) The number of property sales transactions increased by 16 or 3.0% from 526 in the nine months of FY 2024 to 542 during the same period of FY 2025.

Because of the difficulty in projecting this revenue source in normal times, Staff is projecting an increase of 28.8% in FY 2025 (Including two transactions totaling in excess of \$800,000 in April 2025) and flat revenue from FY 2026 through FY 2029 due to the high uncertainty about the impact of the Trump Administration's trade policy will have on consumer spending, interest rates and the economy.

Measure P Taxes

Measure P taxes totaling \$6,889,800 was collected during the nine months of FY 2025, which was \$3,418,521 or 98.5% more than the \$3,471,279 collected during the same period of FY 2024. This increase resulted primarily from the following: (1) An increase of \$288.2

million or 71.9% in the dollar value of property sales amount in the nine months of FY 2025 versus those in the nine months of FY 2024; (2) The number of property sales transactions increased by 70 or 63.1% during the nine months of FY 2025; and, (3) There were nine property sales of \$10 million or more, with total sales of \$234.7 million in the nine months of FY 2025 compared to five property sales of \$10 million or more, with total sales of \$89.9 million in the nine months of FY 2024.

Because of the difficulty in projecting this revenue source in normal times, Staff is projecting an increase of 45.2% in FY 2025 and flat revenue in FY 2026 through FY 2029 due to the high uncertainty about the impact the Trump Administration's trade policy will have on consumer spending, interest rates and the economy.

Sales Taxes

After getting back to pre-pandemic levels in FY 2023, Sales Tax growth was projected to decrease .1% in FY 2024, increase 2.9% in FY 2025, increase 3.6% in FY 2026, increase 3.2% in FY 2027 and increase 3.1% in FY 2028. However, the City's Sales Tax Consultant has noticed significant softening in some categories in FY 2024 and FY 2025 sales activity.

Therefore, current projections are an increase of .9% in FY 2025, an increase of 1.2% in FY 2026, an increase .9% in FY 2027, an increase 1.73% in FY 2028 and an increase 1.55% in FY 2029. However, these projections were made before President Trump implemented his trade policies.

The City's sales tax consultant is currently working on new projections that will take into account, as best as possible, the impacts of recent changes to federal trade policy.

Utility Users Tax

Utility Users Tax revenue for the nine months of FY 2025 totaled \$14,355,777, which was \$1,602,301 or 12.6% more than the \$12,753,476 received for the same period in FY 2024.

Apart from significant increases in rates in 2022 and 2023, PG&E rate changes in 2024 were the following:

- On January 1, 2024, PG&E rates increased by about 13% across both generation and delivery
- On March 1, 2024, PG&E increased delivery rates by 0.3%
- On April 1, 2024, PG&E rates increased by 1.4%
- Natural gas prices have also increased this year. On September 1, 2024, PG&E implemented an 8.3% increase in natural gas rates.

UUT revenue was projected to increase 2.9% in FY 2025. However, due to gas and electricity rate increases approved by the Public Utilities Commission identified above, the FY total is projected to increase by 12.7%. Staff is projecting flat revenue in FY 2026 through FY 2029.

Transient Occupancy Tax

With the addition of a new hotel, FY 2023 gross TOT revenue exceeded pre-pandemic levels, and was at 30% growth above FY 2022 levels after subtracting the TOT rebates owed. That is no longer the case.

The total net Transient Occupancy Tax (TOT) revenue reported for the nine months of FY 2025 totaled \$4,473,001 (after deducting \$958,344 in TOT rebates owed), which was \$570,644 or 11.3% less than the \$5,043,645 (after deducting \$913,421 in TOT rebates owed) received for the same period in 2024. The decline was primarily attributable to the failure of one of the six largest hotels to pay TOT in any of the nine months and the failure of another one to pay TOT in the last two months of the period.

Staff is projecting a 6.9% decline in net TOT revenue (TOT minus rebates) of 3.0% in FY 2025 and flat revenue from FY 2026 through FY 2029.

Business License Taxes

Staff projected flat growth in FY 2025 Business License Tax revenue. However, for the nine months of FY 2025 the average Business License tax renewal increased by approximately 5.1%.

As a result, the FY 2025 projection was increased to growth of 1.0%. Growth from FY 2026 through FY 2029 is projected at 2.0%.

Ambulance Fees

Ambulance growth was projected to increase 4% in FY 2024 and flatten out in FY 2025. However, revenue increased \$2,767,548 or 53.8% due to an 8.4% increase in the number of transports and significant fee increases.

A decline of 2.2% in Ambulance Fees revenue was expected for FY 2025, but actual revenue is projected to increase by 1%, from \$7,734,813 to \$8,000,000.

Staff is projecting an 11.3% increase in FY 2026, due primarily to rate increases of 24%; and flat revenue in FY 2027 through FY 2029.

Interest Income

The sharp rise in interest rates triggered by the Feds is a double-edged sword: While the rise in interest rates negatively impacts the City's Property Transfer Taxes (through fewer property sales) and Secured Property Taxes and Vehicle In Lieu Taxes (through lower assessed values), it results in an increase in Interest Income. For FY 2024, Interest Income totaled \$15,155,999, which was \$3,038,974 more than the \$12,117,025 received in FY 2023 and \$8,461,877 received in FY 2022.

During the nine months of FY 2025, the net interest rate earned by the City increased from a range of 2.84% - 3.18% in contrast with the nine months of FY 2024 which increased a range of 2.92% - 3.32%. Despite that, total Interest Income declined because the yield curve was inverted in FY 2024 (i.e., short-term rates were greater than long-term rates) and is not inverted in FY 2025. The yield on overnight securities held in the Fidelity Money Market account and at Wells Fargo Bank dropped to around 4% in the nine months of FY 2025 from 5% for the same period in FY 2024.

Staff projected a decline in interest income of 10.0% in FY 2025, growth of 3.7% in FY 2026 and 3.6% in FY 2027, and no growth in FY 2028 and FY 2029. The growth projected in FY 2026 and FY 2027 is due to the maturity of \$268.85 million of the City's investment portfolio that earns less than 2%.

Impact of The President's Trade Policies

The president imposed tariffs on almost every country in the world, but the ones with the biggest economic impact was the 145% tariffs he has imposed on Chinese goods coming into the US, and the ones imposed on Mexico, Canada and the European Union. China retaliated immediately with a 125% tariff on American goods going into China. The following are some of the impacts expected from Trump's trade policies:

- The Trade Policies Keep the Feds From Lowering Interest Rates and Interest Rates Won't Decline Unless US Economy is in Serious Trouble

Entering 2025, the Federal Reserve was already reluctant to lower short-term interest rates because, although the Core Personal Consumption Expenditures Index (PCE) had declined substantially, it was still above the Fed's 2% goal and stuck around 2.8%. The president's tariffs will significantly increase the core PCE index, and the Feds is highly unlikely to lower short-term rates under these circumstances. At its March 19, 2025 meeting, the Feds left short-term rates unchanged because of the tariff uncertainty. The Feds is now in a bit of a pickle with the threat of stagflation (i.e., both an economic slowdown and rising inflation at the same time). The Feds would normally cut rates to deal with a slowdown, and raise rates to counter higher inflation. The looming economic slowdown and increase in inflation is solely created by the president's tariff policies. With stagflation the likely outcome of these tariff policies, the Feds is unlikely to change interest rates until rising inflation or an economic slowdown gets seriously out of hand.

Despite the Core PCE index failing to reach the Fed's 2% goal, the Feds initially indicated that it wanted to cut short-term interest rates three to four times in 2025, until it became aware of the extent of the tariffs policy. After the tariffs were imposed, the Feds signaled it is no longer committed to lower rates due to the uncertainty surrounding the inflationary and economic impact of tariffs. Some Analysts are now predicting no cuts in 2025 unless the US enters a sharp recession.

- Consumer and Business Spending Will Decline and Move US Towards a Recession and Stagflation

The president's on-again, off-again approach to tariff policy has created high economic anxiety and uncertainty for businesses and consumers as they worry that inflation will increase significantly and the economy will head towards a possibly severe recession. The University of Michigan's survey of consumer sentiment for April 2025 showed a reading that plummeted 11% to 50.8, the second lowest reading on records going back to 1952. "The April 2025 reading was lower than anything seen during the Great Recession. The decline was pervasive and unanimous across age, income, education, geographic region, and political affiliation." Joanne Hsu, the survey's director, said in a release. Sentiment has now lost more than 30% since December 2024.

Most Analysts are now predicting that inflation will rise because of the tariffs and that consumers will spend less as a result- the so called "wealth effect". The "wealth effect" is a behavioral theory suggesting that people spend more as the value of their assets rise, and vice versa. The idea is that consumers feel more financially secure and confident about their wealth when home and investment portfolios increase in value. As stock prices plummet, we can expect consumers to reduce their spending.

- US Treasury Securities May No Longer Be Seen as the Safe Haven it Has Always Been For Investors

However, this won't be enough for the market to move back to US Treasury securities as a haven of quality investors to move into in times of crisis. Flight-to-quality or flight-to-safety is a financial market phenomenon occurring when there is a crisis and investors sell what they perceive to be higher-risk investments and purchase safer investments, primarily US Treasuries, gold and, more recently, crypto currency. This is considered a sign of fear in the marketplace, as investors seek less risk in exchange for lower profits.

In every crisis for the past 20-30 years, when equities are sold off sharply, US bonds were heavily purchased, pushing bond prices up and yields down. The opposite happened on April 8, 2025, as a result of the tariffs imposed which caused equity markets in the US and the rest of the world to collapse. This time the bond market participants didn't see US Treasuries as a haven of quality, it saw them as higher-risk investments that should be avoided. The 30-year Treasury's yield went above 5%, from 4.5% the previous week, and the 10-year Treasury yield rose to 4.4%, from 4.0% the previous week-both dramatic moves in less than one week. China had already retaliated with 125% tariffs on US goods, and European Union states had voted to approve 25% counter-tariff measures against the US to take effect the following day.

- There are Signs Foreign Investors are Running Away from the US Securities and the Dollar

One of the important goals of the Trump Administration is to have the 10-year Treasury Bond yield fall sharply, which would lower mortgage rates and stimulate home purchases. The sharp sell-off in the US government bond market showed market concerns about the fallout of a trade war. Oil prices also fell to \$56/barrel, signaling deteriorating confidence in the strength of the US economy. Therefore, the president was forced to scale back his tariff onslaught because of a "fire sale" in the bond market which could have triggered a financial meltdown.

Conclusion

Projecting revenues many years into the future is inherently difficult to do with accuracy, as shifts in the macroeconomic climate can cause asset valuations and economic output to fluctuate in ways not anticipated at the time projections are finalized. Staff use the best assumptions available, based on historic trends, observation of leading economic indicators, and known changes in the regulatory environment. President Trump has unnecessarily made it more difficult to make those projections with his shifting and uncertain trade policies. The uncertainty surrounding the current macroeconomic environment makes it unusually difficult to determine the impact on future City revenues

First, while the health emergency related to the COVID-19 pandemic has finally receded, and the restrictions that had constrained economic activity have been lifted, it appears that the local economy has been reshaped in ways that will not return to a pre-pandemic "normal." The increase in telecommuting that occurred in the past couple of years may not fully recede. This could have effects on spending activities of residents and employees of City businesses and institutions, as well as the desirability of certain locations for home purchases. The City continues to study and analyze these trends and make adjustments as more data comes in

Second, as reported last year, inflation rose to unacceptably high levels, causing the Federal Reserve Board to tighten monetary policy significantly to combat inflation. As a result, the Fed raised interest rates from a range of 0%-.25% in March 2022 to a range of 5.25%-5.50% currently. During this period the average mortgage rose from a little over 4.1% to as high as 8.0%, and are currently slightly below 7%. The high inflation and high mortgage rates continue to restrict real estate activity, consumer spending and the economy. Recently, the City's Sales Tax Consultant has noted a significant decline in sales activity in a number of categories in Berkeley, resulting in a slowdown in FY 2024 and FY 2025 Sales Tax revenue. Staff has also noticed an underperformance in TOT: FY 2025 growth was projected at 10.2%. However, the actual results through the first nine months of FY 2024 were a decline of 11.3%, as a result two of the six largest hotels having financial difficulties and missing TOT payments.

One positive sign from the Trump Administration is their goal of reducing the rate on the 10-year Treasury bond, to force mortgage rates down and stimulate the real estate market.

Third, gigantic and ongoing federal budget deficits, higher than acceptable inflation rates and the Federal Reserve Board tightening of the monetary supply to fight high inflation have replaced the COVID-19 pandemic as the biggest headwinds to economic growth in the City over the next few years. The Fed Chairman said the Feds will keep interest rates at a high level until its preferred inflation index (i.e., Core Personal Consumption Expenditure Index or PCE Index) declines below its target of 2% and the Feds is convinced it will remain so. It was still at 2.8% in February 2025. The Feds was doing a good job of engineering a soft landing for the economy (i.e., slowing the economy by tightening the money supply but not creating a recession) until President Trump started implementing his economic policies, especially his trade policies. Now it appears the US is headed towards a recession. The proposed \$1.8 trillion federal budget deficit for FY 2025 will require the issuance of an additional \$1.8 trillion in Treasury Bonds to fund the deficit. The federal budget deficit for FY 2026 and beyond are projected to worsen. The Congressional Budget Office (CBO) estimates that extending all of the tax cuts set to expire at the end of 2025 would add \$4.7 trillion to the deficits over the next 10 years (or an average of \$470 billion/year). This additional huge supply of bonds may overwhelm demand for Treasury Bonds and put further upward pressure on long-term interest rates, including mortgage rates.

As discussed under Secured Property Taxes and Property Transfer Taxes, the upward pressure on mortgage rates has lowered the growth rate for projected Secured Property Taxes, Vehicle In Lieu Taxes and Property Transfer Taxes; as a result, the City General Fund has, at least for the near term, lost its three primary drivers of annual growth, despite the rebound in FY 2025. As a result, the overall growth in General Fund revenue will struggle to remain positive. Fortunately for the City, this huge loss of General Fund revenue has been offset by significant increases in Interest Income and Ambulance Fees, but these increases may not be permanent. The inflation trends were headed in the right direction, but that success has been affected by the new trade policies and its effect will be impactful for a very long time.

Fourth, nuclear arms talk between the US and Iran have been restarted and both sides have indicated that progress is being made. The war in Europe between Ukraine and Russia continues, the war in the Middle East has again escalated. The manipulation of oil supplies by OPEC+ have the potential to dramatically reshape global markets, inflation and interest rates, especially if Russian oil and natural gas are cut off from the rest of the world. This would drive fuel and transportation prices higher, with downstream effects on the prices of most goods. This could keep the inflation rate and interest rates higher for a longer period of time, and negatively impact consumer spending.

Any one or a combination of these factors could necessitate further revision of the projections presented here. Staff will continue to monitor the revenues we actually receive and changes in the economic environment, so that we may update or revise our projections if changes in our forecasts are warranted.

Summary of FY 2026 Proposed Budget Update by Funding Source

Fund Description	Adopted FY 2026		Proposed Update FY 2026	
	Revenue(b)	Expenses	Revenue(b)	Expenses
General Fund (a)				
GF Discretionary	\$284,047,716	\$296,120,772	\$311,435,259	\$311,435,259
GF Payroll Deduction Trust	273,854	750,000	6,273,854	6,750,000
GF Catastrophic Leave	-	-	-	-
U1 Housing	6,200,000	5,798,189	6,500,000	8,235,534
Climate Equity Action	-	-	-	-
GF Stabilization Reserves	-	-	-	-
GF Catastrophic Reserves (a)	-	-	-	-
Special Revenue Funds				
Library Tax	26,496,011	27,226,616	33,822,805	29,382,885
Library Trans Based Reimbur	-	2,000,000	-	4,000,000
Library Grants	68,420	67,526	82,300	99,884
Library Friends & Gifts	150,000	150,000	150,000	222,150
Library Foundation	100,000	200,000	100,000	200,000
Asset Forfeiture	55,000	201,000	55,000	61,000
Special Tax for Disabled	1,768,380	1,770,380	3,536,099	1,804,044
Workforce Investment Act	35,542	59,100	56,025	64,135
SEC 108 HUD Loan Grant Asst	626,723	1,183,612	626,723	1,183,612
Fund Raising Activities	43,000	51,222	43,000	54,789
Gilman Sport Field	595,331	327,550	640,671	335,382
Gilman Fields Reserve	150,000	-	150,000	-
Animal Shelter	45,000	52,480	45,000	52,480
Paramedic Assessment District	4,709,895	4,740,925	4,762,609	4,894,321
Domestic Violence Prevention	25,000	29,557	32,717	32,490
Affordable Housing Mitigation	6,086,371	28,708,619	862,978	1,918,719
Affordable Child Care	11,851	13,275	11,851	13,275
Inclusionary Housing Program (a)	220,809	718,432	391,092	438,731
Condo Conversion Program	313,220	510,819	41,981	534,833
Playground Camp	3,287,851	3,963,019	3,951,397	4,387,369
State Proposition 172 (a)	931,227	448,975	931,227	448,976
State Transportation Tax	6,684,448	7,764,859	6,887,738	7,686,498
CDBG	4,437,743	4,594,617	4,437,743	3,076,701
Rental Housing Safety Prog	1,783,780	2,627,557	2,738,000	2,804,807
Meas B Local Streets and RDS	-	7,551	-	61,882
Meas B Bike and Pedestrian	-	-	-	-
Meas B Paratransit	-	36,797	-	17,016
Meas F ALA CT VRF ST and RD	505,898	512,375	483,745	462,227
Meas BB Local Streets and RD	7,990,480	7,277,314	7,804,724	7,507,298
Meas BB Bike and Pedestrian	864,497	2,044,674	849,875	1,762,862
Meas BB Paratransit	969,418	977,750	969,418	967,484
One Time Funding	-	-	-	-
Park Tax (a)	18,877,077	20,482,665	22,921,333	24,534,028
Street and Open Space Impr	-	200,000	-	200,000

Summary of FY 2026 Proposed Budget Update by Funding Source

Fund Description	Adopted FY 2026		Proposed Update FY 2026	
	Revenue(b)	Expenses	Revenue(b)	Expenses
Meas GG Fire Preparation Tax	5,984,389	6,008,296	6,372,071	6,289,268
Street Lighting	2,240,939	3,255,594	2,240,939	3,284,660
Business Economic Development	150,000	156,387	150,000	156,387
Citywide RLF	-	-	-	-
Miles Lab	-	-	-	-
Employee Training	750,000	875,334	750,000	822,177
UC Settlement	3,151,425	5,169,181	3,151,425	5,521,394
Cultural Trust	-	119,854	-	-
Private Party Sidewalks (a)	100,000	100,000	100,000	100,000
Public Art	62,199	122,366	213,282	64,367
Lillie B. Wall Memorial (a)	-	-	-	-
Vital and Health Statistic	30,000	30,292	30,292	30,292
East Bay Public Utilities Comm	-	-	-	-
PERS Savings	-	-	-	6,000,000
Health State Aid Realignment	3,703,018	4,355,074	5,830,976	6,844,776
Tobacco Control	300,000	360,036	384,950	382,250
Mental Health State Aid Realig (a) (c)	2,710,000	5,367,256	3,224,274	6,335,939
City Optional Public Safety	250,000	272,448	250,000	272,448
ALA CT Abandoned Veh Abt Auth (a)	103,000	122,551	102,329	101,285
Measure FF Public Safety	10,304,630	11,334,569	10,969,060	12,926,348
Fair Elections (a)	612,210	657,868	612,210	664,752
Measure FF Street Repair			22,500,000	
Grants Funds (a)				
Operating Grants Federal	36,362	36,362	156,794	155,304
Operating Grants State	975,688	7,974,529	3,877,375	7,723,545
Capital Grants Federal (b)	-	-	-	-
Capital Grants State (b)	562,500	750,000	562,500	750,000
Capital Grants Local (a)	75,000	100,000	75,000	100,000
OTS DUI Enforsmt Educ Prg	150,000	149,321	150,000	149,321
HUD (a)	605,000	907,322	2,478,137	2,524,030
ESGP	207,000	235,870	237,965	452,137
Health (General)	2,113,978	2,482,390	2,692,819	2,733,843
Target Case Mgmt/Linkages (a)	-	1,521,661	682,923	1,491,747
Alameda County Tay Tip (a)	-	-	-	-
Mental Health Service Act	12,240,360	11,581,045	12,240,360	11,265,993
Health (Short/Doyle) (a)	6,422,700	7,552,479	6,422,700	7,235,143
Epsdt Expansion Proposal (a)	6,422,700	494,992	676,102	669,282
Alcoholic Bev Ctr Ots/Uc	50,000	60,237	50,000	60,237
Youth Lunch (a)	65,500	113,153	53,444	50,838
Sr. Nutrition (Title III) (a)	213,573	220,843	265,132	262,905
C.F.P. Title X (a)	200,000	206,432		(0)
Berk Unif Sch Dist Grant	508,148	222,045	266,754	216,871
Vector Control (a)	350,000	378,735	380,350	485,945

Summary of FY 2026 Proposed Budget Update by Funding Source

Fund Description	Adopted FY 2026		Proposed Update FY 2026	
	Revenue(b)	Expenses	Revenue(b)	Expenses
Alameda County Grants (a)	832,834	918,626	1,125,740	1,115,784
Sr Supportive Social Serv (a)	156,803	127,211	119,572	118,794
Family Care Support Prog (a)	188,274	92,441	113,141	112,253
CA Integrated Waste Mgmt	3,933	5,244	3,933	5,244
Housing Mitigation	-	1,126,763		1,362,494
Calhome Program	-	200,000	200,000	221,240
Community Action Program	281,777	284,776	299,495	291,358
OneTime Grant:No Cap Exp (a)	4,665,654	2,555,441	716,250	758,064
MTC	564,620	752,827	564,620	752,827
FEMA	1,306,400	657,133	1,000,000	2,869,444
Alameda County Waste Mgmt	360,000	345,000	360,000	345,000
State Dept Conserv/Recycling	32,000	32,000	32,000	32,000
Caltrans Grant	-	-		-
Shelter+Care HUD	6,461,774	6,693,929	7,183,554	7,334,881
Shelter+Care County	906,212	929,430	1,022,704	1,041,448
JAG Grant	50,000	60,759	50,000	60,759
BioTerrorism Grant	289,000	544,062	339,517	307,040
Local Housing Trust Fund	-	-		-
ARPA Local Fiscal Recovery	-	373,311		-
Capital Projects Funds				
Capital Improvements	13,490,788	16,222,364	13,823,742	18,155,130
Phone System Replacement	-	449,408	-	449,408
Funds Replacement	-	2,817,732	-	3,065,223
Peg Access Facilities	-	100,000	-	267,210
Meas M ST and WTRSHD Imprv	-	-	-	-
Meas G Public Safety Bldg	-	-	-	-
Street Improvement	-	-	-	-
Park Acquisition Development	192	-	192	-
Income Housing Fund WBIP	-	-	-	-
Meas T1 Infrstr and Fac	20,500,000	4,905,218	20,500,000	4,106,327
Meas O Affordable Housing	-	6,445,567	-	8,176,509
Enterprise Funds				
Zero Waste	61,289,555	60,948,736	61,289,555	61,372,048
Mar Coastal Conservancy	-	-	-	-
Mar Dept of Boating & Wtrwy	-	-	-	-
Marina Operations/Maint	7,881,864	8,689,864	8,612,788	7,663,273
Sanitary Sewer Operation	24,986,977	32,870,225	24,986,977	33,533,465
Private Sewer Lateral (a) (d)	240,501	83,243	240,501	80,849
Clean Storm Water	4,551,890	7,947,976	4,551,890	8,457,524
Permit Service Center	19,709,270	26,725,504	17,753,626	27,883,725
Unified Program (CUPA)	964,450	953,174	986,950	1,021,938
Off Street Parking Fund	5,091,895	7,129,181	4,873,145	7,203,523
Parking Meter Fund	9,712,789	9,920,570	8,566,243	10,178,760

Summary of FY 2026 Proposed Budget Update by Funding Source

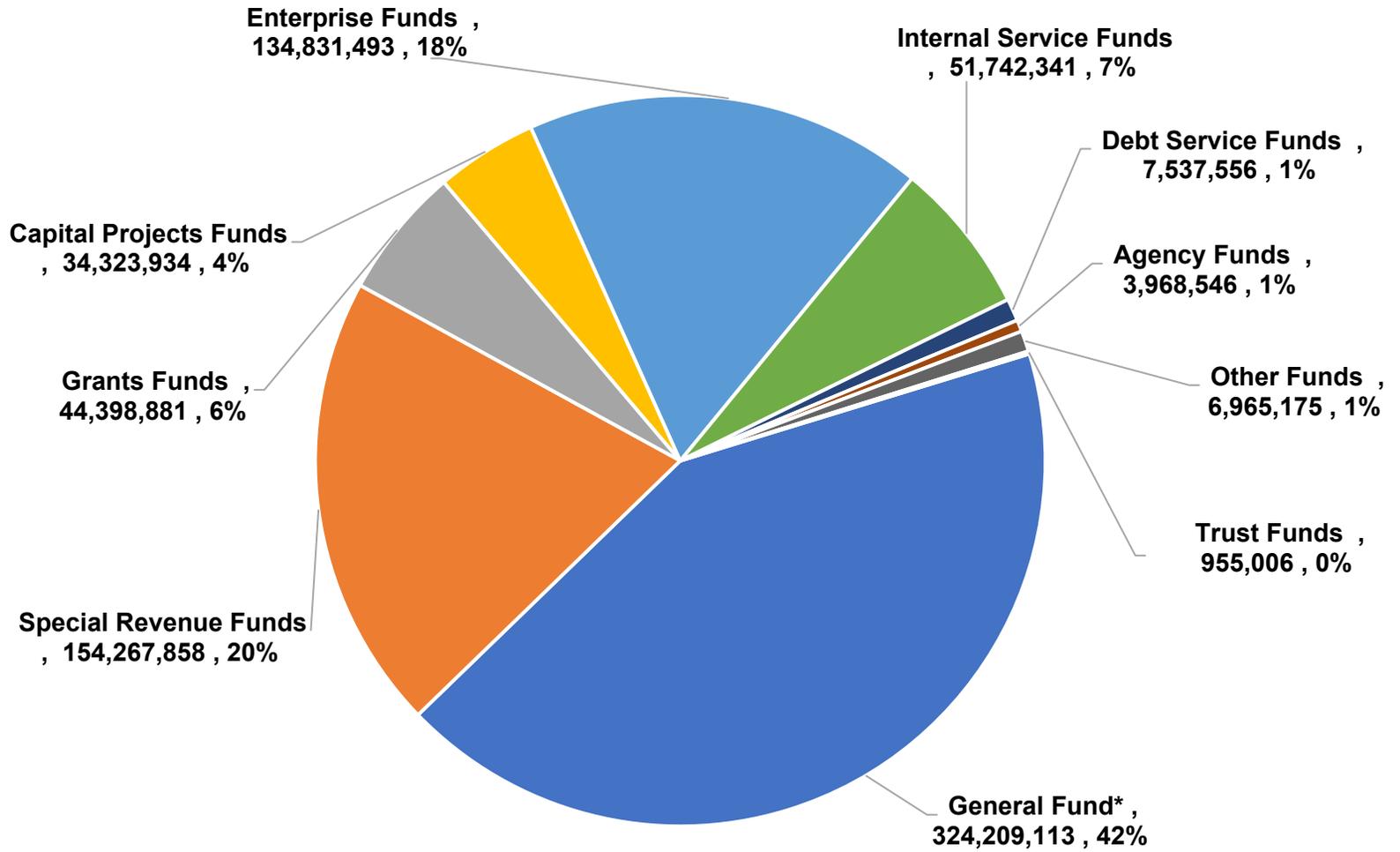
Fund Description	Adopted FY 2026		Proposed Update FY 2026	
	Revenue(b)	Expenses	Revenue(b)	Expenses
Bldg Purchases & Mgmt	2,969,817	3,887,359	2,969,817	3,879,644
Internal Service Funds				
Equipment Replacement	4,754,926	6,633,967	4,754,577	6,536,146
Equipment Maintenance	6,461,013	10,134,908	6,461,013	10,385,092
Building Maintenance	3,821,039	5,535,588	3,821,039	5,518,650
Central Services	225,000	401,512	225,000	411,006
Worker's Compensation	9,569,358	6,657,045	9,569,358	11,788,212
Sick and Vacation Payouts	-	-	-	-
Public Liability	3,446,161	3,763,038	3,446,161	3,760,097
Catastrophic Loss	6,676,893	3,447,023	6,676,893	3,447,023
IT Cost Allocation	16,788,300	18,980,873	16,788,300	24,594,807
Debt Service Funds				
Meas FF Library	1,604,969	1,337,638	1,604,969	1,330,513
2015 GORBS for 2007 GORBS	3,309,864	2,047,259	3,309,864	2,043,981
Berkeley Repertory Theatre	499,802	499,820	499,802	499,849
2015 GORBS for 2002 GORBS	1,463,321	378,696	1,463,321	378,696
2015 GORBS for 2007 GORBS SERA	256,987	142,540	256,987	142,312
2015 GORBS for 2008 Anml Shltr	-	480,184	-	479,416
2010 COP Animal Shelter	402,613	140,085	402,613	140,085
Meas M St and Wtrshd Imprv	-	1,630,863	-	1,639,250
Meas T1 Infrstr and Fac	-	4,699,006	-	3,755,881
Measure O Housing Bonds	-	2,007,265	-	4,600,873
Successor Agency				
Successor Agency WBIP	-	-	-	-
Successor Acy Savo Dsf	-	57,120	-	57,120
Agency Funds				
Sustainable Energy 2	-	-	-	-
Thousand Oaks Undergrounding	-	98,448	-	100,096
Meas H School Tax	500,000	500,000	500,000	500,000
CFD No. 1 Diaster Fire Prot	-	107,914	-	107,904
CFD No. 1 MelloRoos	-	777,134	-	778,589
Sick Leave Entitlement	201,501	322,955	201,501	322,955
Berkeley Tourism Bus. Imp. Dst	762,486	762,486	762,486	762,486
Elmwood Bus. Imp. Dist	30,000	30,000	30,000	30,000
Solano Ave Bus. Imp. Dist	25,000	25,000	25,000	25,000
Telegraph Bus. Imp. Dist	616,664	616,664	616,664	616,664
North Shattuck Bus. Imp. Dist	228,135	228,135	228,135	228,135
Dwntwn Berk Prop and Impr Dist	1,604,760	1,604,760	1,604,760	1,604,760
Other Funds				
Rent Stabilization Board	6,965,175	8,047,595	6,965,175	8,473,266
BHA Section 8 Voucher	-	-	-	-
Trust Funds				
Safety Members Pension	551,804	-	551,804	-

Summary of FY 2026 Proposed Budget Update by Funding Source

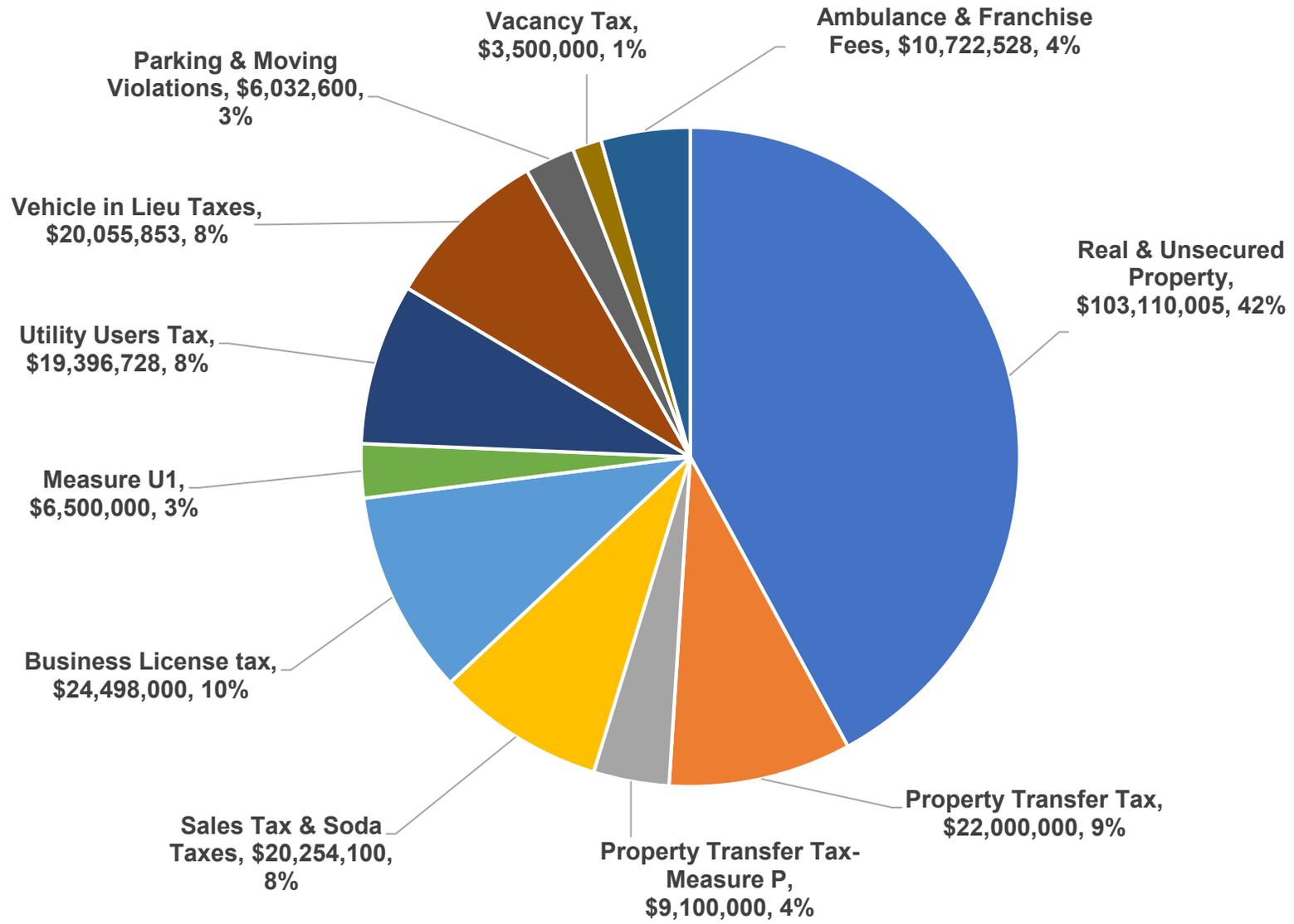
Fund Description	Adopted FY 2026		Proposed Update FY 2026	
	Revenue(b)	Expenses	Revenue(b)	Expenses
Safety Members PensionAnnuity	3,066	-	3,066	-
Police Medical Trust Fund	-	48,281	-	48,281
Retiree Med Fund BHA	-	2,970	-	2,970
Retiree Med Ben IBEW	-	2,563	-	2,563
Retiree Med Bene Local 1	-	22,595	-	22,595
Retiree Med Bene Z1 Mgmt	-	4,000	-	4,000
Retiree Med Ben Z2 To Z6	-	12,000	-	12,000
Retiree Med Ben Local 535	-	32,191	-	32,191
Retiree Med Ben Local 790	-	37,106	-	37,106
Pol Ee Retiree Hlt Ast Pl	400,136	6,500	400,136	6,500
Fire Medical Trust Fund	-	45,571	-	45,571
Revenue & Expenditure Totals:	698,663,103	783,017,121	763,199,903	819,249,980

- (a) Revenues do not reflect use of fund balances which are added to balance revenues with appropriations.
- (b) Revenues for Bond Projects collected in prior fiscal years.
- (c) FY 2026 grant revenues and expenditures will be adjusted to match once award amounts are known.
- (d) FY 2026 numbers are unofficial and have not been approved yet by the Board of Library Trustees or the Rent Stabilization Board.

FY 2026 Proposed Budget Update Revenue by Funding Source
\$763,199,902



FY 2026 Proposed Budget Update General Fund Revenue Summary Chart



Summary of Expenditures by Department – All Funds

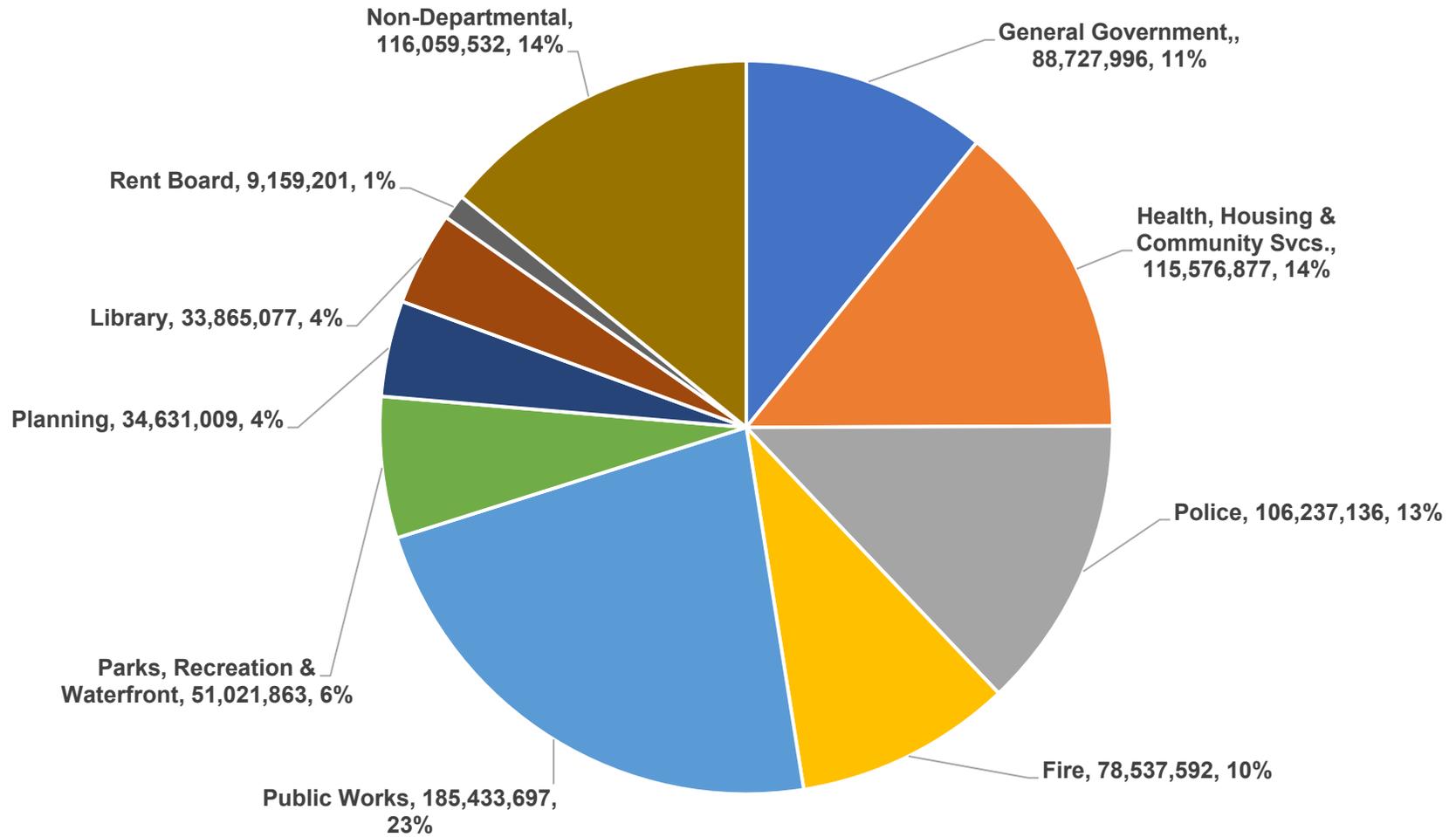
	FY 2022 Actual	FY 2023 Actual	FY 2024 Actual	FY 2025 Adopted	FY 2026 Adopted	FY 2026 Update
Mayor and Council	3,334,706	3,943,449	4,203,792	5,929,940	5,975,686	7,936,134
City Auditor	2,691,656	2,711,752	3,157,444	3,759,532	3,838,168	3,934,495
Rent Stabilization Board	5,803,126	6,784,836	7,028,903	8,489,208	8,597,595	9,159,201
Police Accountability (a)	808,594	909,307	1,210,483	1,484,847	1,524,120	1,522,348
City Manager's Office	18,417,010	19,826,926	22,096,549	18,116,987	18,383,457	18,949,471
Berkeley Public Library	18,476,578	19,951,914	24,026,043	29,196,378	29,606,293	33,865,077
City Attorney	6,200,456	7,880,612	9,112,692	9,290,707	9,425,305	9,825,142
City Clerk	2,398,903	2,876,230	2,823,822	3,518,483	3,576,397	3,709,023
Finance	8,738,585	8,872,348	8,938,144	11,823,352	11,963,574	12,026,929
Human Resources	3,574,288	4,588,216	5,551,340	5,993,013	6,198,864	6,804,564
Information Technology	16,446,318	15,454,602	15,298,230	23,471,574	23,651,297	24,019,890
Health, HSG & Community Svc	91,780,017	102,059,650	108,295,302	137,886,421	138,029,239	115,576,877
Parks, Recreation & Waterfront	63,534,473	45,578,024	48,266,958	47,477,378	47,713,333	51,021,863
Planning & Development	22,433,636	24,148,382	26,533,191	33,307,721	33,268,672	34,631,009
Public Works	140,757,034	133,012,197	149,296,617	196,515,790	181,881,632	185,433,697
Police	82,753,749	89,672,154	90,716,174	91,311,450	94,797,598	106,237,136
Fire & Emergency Services	58,014,195	62,872,373	68,731,246	71,480,646	73,060,880	78,537,592
Non-Departmental (b)	126,738,115	119,779,636	133,946,419	94,266,290	91,525,011	116,059,532
Total All Funds	672,901,439	670,922,608	729,233,350	793,319,717	783,017,121	819,249,981

* FY 2025 & FY 2026 General Fund numbers do include adopted Tier 1 funding recommendations

(a) Police Review Commission has become the Office of the Director of Police Accountability in FY 23

(b) Non-Departmental consists of operational overhead costs such as Property Insurance and School Board Salaries, General Fund allocation for Community Based Organizations, Debt Service, and Interfund Transfers.

FY 2026 Update Summary of Expenditures by Department – All Funds \$819,249,981



Summary of Expenditures by Department – General Fund

	FY 2022 Actual	FY 2023 Actual	FY 2024 Actual	FY 2025 Adopted	FY 2026 Adopted	FY 2026 Update
Mayor and Council	3,334,706	3,939,049	4,203,792	5,929,940	5,975,686	7,936,134
City Auditor	2,627,178	2,633,227	3,078,425	3,657,880	3,734,615	3,891,057
Rent Stabilization Board (a)	-	568,412	554,214	-	-	-
Police Accountability	808,594	909,307	1,210,483	1,484,847	1,524,120	1,522,348
City Manager's Office	12,034,751	13,385,432	15,438,698	14,352,200	14,591,829	15,383,455
City Attorney	2,648,008	3,701,943	5,332,589	5,612,249	5,662,267	6,065,046
City Clerk	2,231,818	2,550,697	2,114,865	2,867,551	2,918,529	3,044,270
Finance	6,827,434	7,075,971	7,188,353	9,302,267	9,415,265	9,544,384
Human Resources	2,052,893	2,971,640	3,819,103	3,928,242	4,073,809	4,696,613
Information Technology	1,446,933	882,432	1,077,796	1,580,760	1,580,760	1,580,760
Health, HSG & Community Svc	32,619,369	28,154,030	36,867,755	31,950,903	33,283,018	34,039,371
Parks, Recreation & Waterfront	8,757,651	9,693,628	12,640,006	9,625,120	9,719,820	10,345,805
Planning & Development	2,629,757	2,924,671	3,153,666	3,745,098	3,802,944	3,731,131
Public Works	6,859,822	7,066,623	7,100,535	7,046,369	7,209,627	7,545,711
Police	77,916,629	84,895,063	85,926,952	86,427,222	89,849,214	101,282,782
Fire & Emergency Services (b)	43,406,934	40,874,529	48,392,171	47,108,481	48,628,122	49,810,350
Non-Departmental	43,112,577	52,800,630	69,050,828	50,930,926	54,151,147	51,016,041
Total	249,315,054	265,027,284	307,150,230	285,550,055	296,120,772	311,435,259

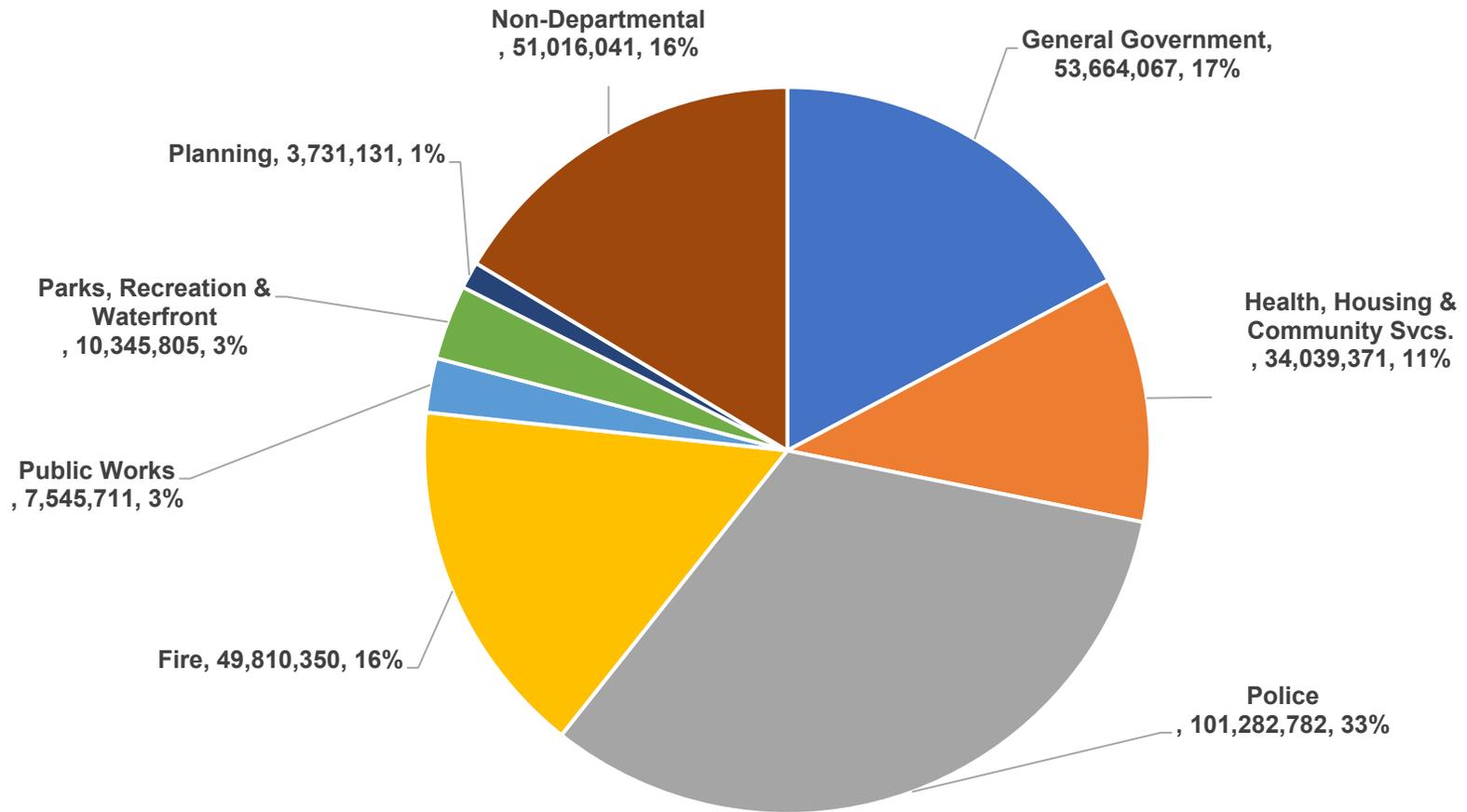
Notes:

* GF total exclude Measure U1 (Fund 016).

(a) Police Review Commission has become the Office of the Director of Police Accountability in FY 2023

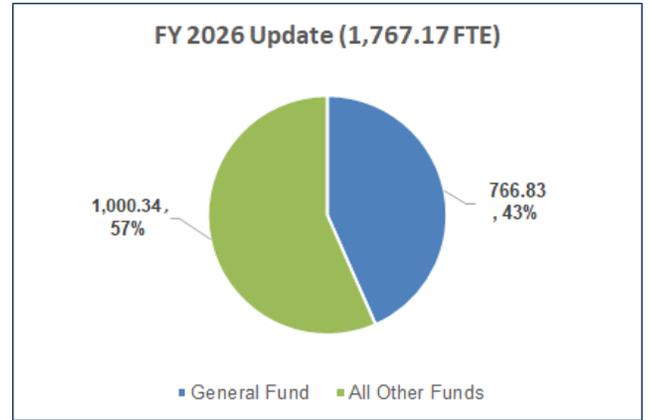
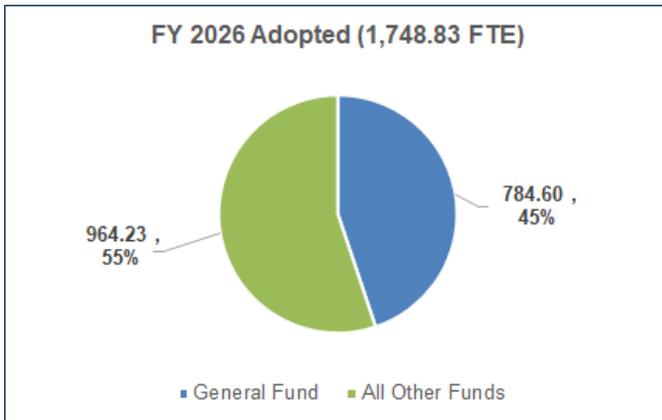
(b) Non-Departmental consists of operational overhead costs such as Property Insurance and School Board Salaries, General Fund allocation for Community Based Organizations, Workers' Compensation costs, Debt Service, and Interfund Transfers.

**FY 2026 Update Summary of Expenditures by Department – General Fund
\$311,435,259**



SUMMARY STAFFING BY DEPARTMENT

	FY 2022 Actual	FY 2023 Actual	FY 2024 Actual	FY 2025 Actual	FY 2026 Adopted	FY 2026 Update
City Attorney	15.00	17.00	17.00	20.00	20.00	20.00
City Auditor	13.50	14.75	15.75	15.75	15.75	15.75
City Clerk	10.00	10.00	10.00	10.00	10.00	10.00
City Manager	47.50	53.50	54.50	56.00	56.00	56.00
Finance	51.00	56.00	56.00	56.00	56.00	56.00
Fire Department	153.00	203.00	205.00	202.00	202.00	214.00
Health, Housing & Community Services	220.10	225.10	238.20	248.20	250.20	253.20
Human Resources	22.00	22.00	26.00	26.00	26.00	27.00
Information Technology	47.00	52.00	51.00	51.00	51.00	51.00
Library	114.85	114.85	118.60	133.05	133.05	131.18
Mayor and Council	15.00	19.00	19.00	23.00	23.00	23.00
Office of the Director of Police Accountability*	4.00	5.00	6.00	6.00	6.00	6.00
Parks, Recreation & Waterfront	107.25	113.00	113.00	113.00	113.00	114.00
Planning & Development	100.33	106.04	108.04	108.89	108.89	109.04
Police Department	281.00	302.00	302.00	302.00	302.00	302.00
Public Works	323.00	340.00	341.94	349.94	349.94	351.00
Rent Board	24.55	23.55	25.00	26.00	26.00	28.00
Full Time Equivalent Employee (FTE) Total	1,549.08	1,676.79	1,707.03	1,746.83	1,748.83	1,767.17



FY 2026 POSITION SUMMARY BY DEPARTMENT

	FY 2022 Actual	FY 2023 Actual	FY 2024 Actual	FY 2025 Actual	FY 2026 Adopted	FY 2026 Update
CITY ATTORNEY'S OFFICE						
Assistant City Attorney	1.00	1.00	1.00	1.00	1.00	1.00
Assistant to the City Attorney	0.00	1.00	1.00	1.00	1.00	1.00
City Attorney	1.00	1.00	1.00	1.00	1.00	1.00
Deputy City Attorney I	0.00	0.00	0.00	2.00	2.00	2.00
Deputy City Attorney III	7.00	8.00	0.00	0.00	0.00	0.00
Deputy City Attorney IV	0.00	0.00	8.00	8.00	8.00	8.00
Legal Office Supervisor	1.00	1.00	1.00	1.00	1.00	1.00
Paralegal	2.00	2.00	2.00	2.00	2.00	2.00
Risk Manager	0.00	0.00	0.00	1.00	1.00	1.00
Senior Legal Secretary (#)	3.00	3.00	3.00	3.00	3.00	3.00
TOTAL CITY ATTORNEY	15.00	17.00	17.00	20.00	20.00	20.00
CITY AUDITOR'S OFFICE						
Accounting Office Specialist III	1.50	1.75	0.00	0.00	0.00	0.00
Accounting Technician	2.00	2.00	3.75	3.75	3.75	3.75
Administrative Assistant	1.00	1.00	1.00	1.00	1.00	1.00
Audit Manager	1.00	1.00	2.00	3.00	3.00	3.00
Auditor I	1.00	1.00	1.00	1.00	1.00	1.00
Auditor II	2.00	2.00	2.00	3.00	3.00	3.00
Auditor II **	0.00	1.00	1.00	0.00	0.00	0.00
City Auditor	1.00	1.00	1.00	1.00	1.00	1.00
Deputy Auditor for Payroll Mgmt	1.00	1.00	1.00	1.00	1.00	1.00
Senior Auditor	3.00	3.00	3.00	2.00	2.00	2.00
TOTAL CITY AUDITOR'S OFFICE	13.50	14.75	15.75	15.75	15.75	15.75
CITY CLERK'S OFFICE						
Assistant City Clerk	3.00	3.00	3.00	4.00	4.00	4.00
Assistant Management Analyst	1.00	1.00	1.00	0.00	0.00	0.00
City Clerk	1.00	1.00	1.00	1.00	1.00	1.00
Deputy City Clerk	1.00	1.00	1.00	1.00	1.00	1.00
Office Specialist II	1.00	1.00	0.00	0.00	0.00	0.00
Office Specialist III (#)	2.00	2.00	4.00	4.00	4.00	4.00
Records Assistant	1.00	1.00	0.00	0.00	0.00	0.00
TOTAL CITY CLERK'S OFFICE	10.00	10.00	10.00	10.00	10.00	10.00
CITY MANAGER'S OFFICE						
Accounting Office Specialist III	1.00	1.00	1.00	1.00	1.00	1.00
Administrative Assistant (#)	1.00	3.00	3.00	3.00	3.00	3.00
Administrative Hearing Examiner	1.00	1.00	1.00	1.00	1.00	1.00
Animal Control Officer	4.00	4.00	4.00	4.00	4.00	4.00
Animal Services Assistant	3.50	3.50	3.50	4.00	4.00	4.00
Animal Services Manager	1.00	1.00	1.00	1.00	1.00	1.00
Assistant Management Analyst	1.00	0.00	0.00	0.00	0.00	0.00
Assistant to the City Manager	3.00	4.00	4.00	3.00	3.00	3.00
Assistant to the City Manager ***	0.00	1.00	1.00	1.00	1.00	1.00
Associate Management Analyst	2.00	1.00	1.00	0.00	0.00	0.00
Budget Manager	1.00	1.00	1.00	1.00	1.00	1.00
City Manager	1.00	1.00	1.00	1.00	1.00	1.00
Civic Arts Coordinator	1.00	3.00	2.00	2.00	2.00	2.00

FY 2026 POSITION SUMMARY BY DEPARTMENT

	FY 2022 Actual	FY 2023 Actual	FY 2024 Actual	FY 2025 Actual	FY 2026 Adopted	FY 2026 Update
Code Enforcement Officer II	2.00	2.00	2.00	2.00	2.00	2.00
Code Enforcement Supervisor	1.00	1.00	1.00	1.00	1.00	1.00
Communications Specialist	0.00	1.00	1.00	2.00	2.00	2.00
Community Development Project Coordinator	1.00	0.00	1.00	1.00	1.00	1.00
Community Services Specialist I	1.00	1.00	1.00	1.00	1.00	1.00
Community Services Specialist II	1.00	1.00	1.00	1.00	1.00	0.00
Community Services Specialist III	0.00	0.00	0.00	0.00	0.00	1.00
Deputy City Manager (#)	2.00	2.00	2.00	2.00	2.00	2.00
Digital Communications Coordinator (#)	3.00	3.00	3.00	3.00	3.00	3.00
Diversity, Equity and Inclusion (DEI) Officer	0.00	0.00	0.00	1.00	1.00	1.00
Economic Development Project Coordinator	2.00	2.00	2.00	2.00	2.00	2.00
Health Services Program Specialist	1.00	0.00	0.00	0.00	0.00	0.00
Homeless Services Coordinator	0.00	1.00	1.00	1.00	1.00	1.00
Manager of Economic Development	1.00	1.00	1.00	1.00	1.00	1.00
Office Specialist II	1.00	1.00	1.00	1.00	1.00	1.00
Office Specialist III	2.00	2.00	2.00	2.00	2.00	2.00
Program Manager I (#)	0.00	0.00	0.00	0.00	0.00	1.00
Program Manager II	0.00	0.00	1.00	1.00	1.00	2.00
Registered Veterinary Technician	1.00	1.00	1.00	1.00	1.00	1.00
Secretary to the City Manager	1.00	1.00	1.00	1.00	1.00	1.00
Senior Animal Control Officer	1.00	1.00	1.00	1.00	1.00	1.00
Senior Economic Development Project Coordinator	0.00	1.00	1.00	1.00	1.00	1.00
Senior Management Analyst	5.00	5.00	5.00	6.00	6.00	4.00
Social Services Specialist	1.00	2.00	2.00	2.00	2.00	2.00
TOTAL CITY MANAGER'S OFFICE	47.50	53.50	54.50	56.00	56.00	56.00

FINANCE DEPARTMENT

Accountant I	1.00	1.00	1.00	1.00	1.00	1.00
Accountant II	3.00	3.00	3.00	3.00	3.00	3.00
Accounting Manager	1.00	1.00	1.00	1.00	1.00	1.00
Accounting Office Specialist II (#)	7.00	9.00	9.00	8.00	8.00	8.00
Accounting Office Specialist III	4.00	4.00	4.00	5.00	5.00	5.00
Accounting Office Specialist Supervisor	3.00	4.00	4.00	4.00	4.00	4.00
Accounting Technician	2.00	2.00	2.00	2.00	2.00	2.00
Administrative Secretary	1.00	1.00	1.00	1.00	1.00	1.00
Assistant Management Analyst	1.00	1.00	1.00	1.00	1.00	1.00
Associate Management Analyst	1.00	1.00	1.00	1.00	1.00	1.00
Buyer	1.00	1.00	1.00	1.00	1.00	1.00
Contract Administrator	1.00	1.00	1.00	1.00	1.00	1.00
Customer Service Specialist II (#)	5.00	5.00	5.00	4.00	4.00	4.00
Customer Service Specialist III	0.00	0.00	0.00	1.00	1.00	1.00
Customer Service Supervisor	1.00	1.00	1.00	1.00	1.00	1.00
Deputy Director of Finance	0.00	1.00	1.00	1.00	1.00	1.00
Director of Finance	1.00	1.00	1.00	1.00	1.00	1.00
Field Representative	2.00	0.00	0.00	0.00	0.00	0.00
General Services Manager	1.00	1.00	1.00	1.00	1.00	1.00
Information Systems Specialist	1.00	1.00	1.00	1.00	1.00	1.00
Mail Services Aide	1.00	1.00	1.00	1.00	1.00	1.00
Revenue Collection Manager	1.00	1.00	1.00	1.00	1.00	1.00
Revenue Development Specialist I	2.00	4.00	4.00	4.00	4.00	4.00
Revenue Development Specialist II	2.00	2.00	2.00	2.00	2.00	2.00
Revenue Development Supervisor	1.00	1.00	1.00	1.00	1.00	1.00
Senior Accountant	2.00	2.00	2.00	2.00	2.00	2.00
Senior Buyer	2.00	2.00	2.00	2.00	2.00	2.00

FY 2026 POSITION SUMMARY BY DEPARTMENT

	FY 2022 Actual	FY 2023 Actual	FY 2024 Actual	FY 2025 Actual	FY 2026 Adopted	FY 2026 Update
Senior Field Representative	1.00	1.00	1.00	1.00	1.00	1.00
Senior Systems Analyst	0.00	1.00	1.00	1.00	1.00	1.00
Systems Accountant	1.00	1.00	1.00	1.00	1.00	1.00
Treasury Manager	1.00	1.00	1.00	1.00	1.00	1.00
TOTAL FINANCE DEPARTMENT	51.00	56.00	56.00	56.00	56.00	56.00

FIRE DEPARTMENT

Accounting Office Specialist II	0.00	1.00	1.00	1.00	1.00	1.00
Accounting Office Specialist III	4.00	4.00	4.00	4.00	4.00	4.00
Administrative & Fiscal Services Manager	1.00	1.00	1.00	1.00	1.00	1.00
Administrative Assistant	1.00	3.00	3.00	3.00	3.00	3.00
Administrative Secretary	1.00	1.00	1.00	1.00	1.00	1.00
Assistant Fire Chief	2.00	4.00	3.00	3.00	3.00	3.00
Assistant Fire Inspector	0.00	0.00	0.00	0.00	0.00	1.00
Assistant Management Analyst	1.00	1.00	1.00	1.00	1.00	1.00
Associate Management Analyst	1.00	2.00	2.00	2.00	2.00	2.00
Battalion Chief	3.00	3.00	3.00	3.00	3.00	3.00
Communications Specialist	0.00	1.00	1.00	0.00	0.00	0.00
Deputy Fire Chief	1.00	1.00	2.00	2.00	2.00	2.00
Deputy Fire Marshal	1.00	1.00	1.00	1.00	1.00	1.00
Emerg. Medical Svcs. Qual. Improv. & Educ. Coord.	0.00	1.00	1.00	1.00	1.00	1.00
Emergency Services Coordinator	3.00	3.00	3.00	3.00	3.00	3.00
Fire and Life-Safety Plans Examiner	2.00	2.00	2.00	2.00	2.00	2.00
Fire Apparatus Operator	33.00	33.00	33.00	33.00	33.00	33.00
Fire Captain I/II	31.00	33.00	33.00	33.00	33.00	33.00
Fire Chief	1.00	1.00	1.00	1.00	1.00	1.00
Fire Marshal	1.00	1.00	1.00	1.00	1.00	1.00
Fire Prevention Inspector (Sworn)	1.00	8.00	8.00	8.00	8.00	7.00
Fire Prevention Inspector (Civilian)	2.00	0.00	0.00	0.00	0.00	0.00
Firefighter (#)	54.00	57.00	57.00	42.00	42.00	53.00
Limited Term Emergency Medical Technician (#)	0.00	12.00	12.00	10.00	10.00	10.00
Mechanic	0.00	0.00	0.00	1.00	1.00	1.00
Office Specialist II	2.00	2.00	2.00	2.00	2.00	2.00
Office Specialist III	1.00	2.00	2.00	2.00	2.00	2.00
Paramedic (#)	0.00	18.00	18.00	31.00	31.00	32.00
Paramedic Supervisor I	6.00	7.00	7.00	7.00	7.00	7.00
Principal Program Manager	0.00	0.00	1.00	1.00	1.00	1.00
Program Manager II	0.00	0.00	1.00	1.00	1.00	1.00
Program Manager II****	0.00	0.00	0.00	1.00	1.00	1.00
TOTAL FIRE DEPARTMENT	153.00	203.00	205.00	202.00	202.00	214.00

HEALTH, HOUSING & COMMUNITY SERVICES

Accounting Office Specialist III	3.00	3.00	3.00	3.00	3.00	3.00
Accounting Office Specialist Supervisor	1.00	1.00	1.00	1.00	1.00	1.00
Accounting Technician	1.00	1.00	1.00	1.00	1.00	1.00
Administrative & Fiscal Services Manager	1.00	1.00	1.00	1.00	1.00	1.00
Administrative Secretary	1.00	1.00	1.00	1.00	1.00	1.00
Assistant Manager of Mental Health	1.00	1.00	1.00	1.00	1.00	1.00
Assistant Management Analyst	6.00	5.00	5.00	10.00	10.00	11.00
Assistant Mental Health Clinician	3.00	2.00	1.00	1.00	1.00	1.00
Associate Management Analyst	5.00	7.00	9.00	9.00	9.00	9.00
Associate Planner	1.00	1.00	0.00	0.00	0.00	0.00

FY 2026 POSITION SUMMARY BY DEPARTMENT

	FY 2022 Actual	FY 2023 Actual	FY 2024 Actual	FY 2025 Actual	FY 2026 Adopted	FY 2026 Update
Behavioral Health Clinician I	6.00	8.00	8.00	8.00	8.00	7.00
Behavioral Health Clinician II (#)	24.50	26.00	25.00	27.00	27.00	27.00
Building Inspector I (Cert)	1.00	1.00	1.00	1.00	1.00	1.00
Community Development Project Coordinator (#)	6.00	6.00	8.00	8.00	8.00	8.00
Community Development Project Coordinator ***	0.00	1.00	1.00	1.00	1.00	1.00
Community Health Worker	1.00	1.00	1.00	1.00	1.00	1.00
Community Health Worker Specialist	10.00	9.00	9.00	9.00	9.00	9.00
Community Service Specialist I	4.50	3.00	2.00	2.00	3.00	3.00
Community Services Specialist II	8.00	11.00	13.00	13.00	13.00	13.00
Community Services Specialist II ***	0.00	1.00	1.00	1.00	1.00	2.00
Community Services Specialist III	6.00	5.00	8.00	9.00	9.00	9.00
Customer Service Specialist II	0.00	0.00	0.00	0.00	0.00	2.00
Deputy Director of Health, Housing & Community Services	1.00	1.00	1.00	1.00	1.00	1.00
Director of Health, Housing & Community Services	1.00	1.00	1.00	1.00	1.00	1.00
Environmental Health Supervisor	1.00	1.00	1.00	1.00	1.00	1.00
Epidemiologist	3.00	3.00	2.00	2.00	2.00	2.00
Health Educator	0.00	0.00	0.00	2.00	2.00	2.00
Health Nutrition Program Coordinator	1.00	2.00	2.00	1.00	1.00	1.00
Health Officer (Certified)	1.00	1.00	1.00	1.00	1.00	1.00
Health Services Program Specialist (#)	8.00	9.00	9.00	6.00	6.00	6.00
Health Services Supervisor	1.00	1.00	1.00	1.00	1.00	1.00
Homeless Services Coordinator	1.00	0.00	0.00	0.00	0.00	0.00
Manager of Aging Services	1.00	1.00	1.00	1.00	1.00	1.00
Manager of Environmental Health	1.00	1.00	1.00	1.00	1.00	1.00
Manager of Housing and Community Services	1.00	1.00	1.00	0.00	0.00	0.00
Manager of Mental Health Services	1.00	1.00	1.00	1.00	1.00	1.00
Manager of Public Health Services	1.00	1.00	1.00	1.00	1.00	1.00
Mealsite Coordinator	1.00	1.00	1.00	1.00	1.00	1.00
Mental Health Clinical Supervisor (#)	8.00	8.40	9.00	9.00	9.00	11.00
Mental Health Nurse	5.20	3.50	5.50	5.50	5.50	5.50
Mental Health Program Supervisor	4.00	4.00	4.00	6.00	6.00	6.00
Mid-Level Practitioner	1.10	0.60	0.60	0.60	0.60	0.60
Mini Bus Driver	2.00	2.00	2.00	2.00	2.00	2.00
Nutritionist	0.50	1.50	1.50	1.50	1.50	1.50
Office Specialist II (#)	18.00	18.00	17.00	17.00	17.00	15.00
Office Specialist III	4.00	4.00	4.00	4.00	4.00	4.00
Office Specialist Supervisor	1.00	1.00	1.00	1.00	1.00	0.00
PPHP Deputy Health Officer	0.00	1.00	1.00	0.00	0.00	0.00
Principal Program Manager	0.00	0.00	0.00	1.00	1.00	1.00
Program Manager II	0.00	0.00	1.00	2.00	3.00	3.00
Psychiatrist	2.75	1.75	1.75	1.75	1.75	1.75
Public Health Nurse	9.00	7.00	7.00	7.00	7.00	6.00
Registered Environmental Health Specialist	6.00	6.00	6.00	6.00	6.00	5.00
Registered Nurse	2.00	1.80	1.80	1.80	1.80	1.80
Senior Behavioral Health Clinician	4.00	4.00	4.00	4.00	4.00	4.00
Senior Citizen Center Director	2.00	2.00	2.00	2.00	2.00	2.00
Senior Community Development Project Coordinator	1.00	2.00	3.00	4.00	4.00	4.00
Senior Community Health Specialist	4.00	4.00	4.00	4.00	4.00	4.00
Senior Environmental Health Specialist	2.00	2.00	2.00	2.00	2.00	2.00
Senior Health Management Analyst	1.00	0.00	0.00	1.00	1.00	1.00
Senior Health Services Program Specialist (#)	4.80	5.80	5.00	5.00	5.00	5.00
Senior Management Analyst	3.00	4.00	6.00	6.00	6.00	6.00
Senior Nutrition Program Supervisor	0.00	0.00	0.80	0.80	0.80	0.80
Senior Service Assistant	4.75	4.75	5.25	5.25	5.25	5.25
Social Services Specialist (#)	11.00	10.00	13.00	13.00	13.00	15.00

FY 2026 POSITION SUMMARY BY DEPARTMENT

	FY 2022 Actual	FY 2023 Actual	FY 2024 Actual	FY 2025 Actual	FY 2026 Adopted	FY 2026 Update
Supervising Mental Health Nurse	0.00	1.00	1.00	1.00	1.00	1.00
Supervising Psychiatrist	1.00	1.00	1.00	1.00	1.00	1.00
Supervising Public Health Nurse	2.00	2.00	2.00	2.00	2.00	2.00
Transportation Services Coordinator	1.00	1.00	1.00	1.00	1.00	1.00
Vector Control Technician (#)	1.00	1.00	1.00	1.00	1.00	2.00
TOTAL HEALTH, HOUSING & COMMUNITY SERVICES	220.10	225.10	238.20	248.20	250.20	253.20
HUMAN RESOURCES						
Assistant Management Analyst	1.00	1.00	1.00	1.00	1.00	1.00
Assistant Human Resources Analyst	1.00	1.00	2.00	1.00	1.00	1.00
Associate Human Resources Analyst	4.00	4.00	6.00	5.00	5.00	6.00
Director of Human Resources	1.00	1.00	1.00	1.00	1.00	1.00
Equal Employment Opportunity & Diversity Officer	1.00	1.00	1.00	1.00	1.00	1.00
Employee Relations Manager	1.00	1.00	1.00	1.00	1.00	1.00
Human Resources Manager	1.00	1.00	1.00	1.00	1.00	1.00
Human Resources Technician	4.00	4.00	5.00	5.00	5.00	5.00
Information Systems Support Technician	1.00	1.00	1.00	1.00	1.00	0.00
Occupational Health & Safety Officer	1.00	1.00	1.00	1.00	1.00	1.00
Occupational Health & Safety Specialist	1.00	1.00	1.00	1.00	1.00	1.00
Office Specialist II	2.00	2.00	2.00	2.00	2.00	2.00
Office Specialist III (#)	0.00	0.00	0.00	0.00	0.00	1.00
Senior Human Resources Analyst	2.00	2.00	2.00	4.00	4.00	4.00
Training Officer	1.00	1.00	1.00	1.00	1.00	1.00
TOTAL HUMAN RESOURCES	22.00	22.00	26.00	26.00	26.00	27.00
INFORMATION TECHNOLOGY						
Administrative Assistant	1.00	1.00	1.00	1.00	1.00	1.00
Assistant Management Analyst	0.00	1.00	1.00	1.00	1.00	1.00
Applications Programmer/Analyst I	1.00	2.00	2.00	2.00	2.00	2.00
Applications Programmer/Analyst II	14.00	14.00	14.00	14.00	14.00	14.00
Customer Service Specialist III	9.00	10.00	10.00	10.00	10.00	10.00
Customer Service Manager	1.00	1.00	1.00	1.00	1.00	1.00
Customer Service Supervisor	1.00	1.00	1.00	1.00	1.00	1.00
Database Administrator	1.00	1.00	1.00	1.00	1.00	1.00
Director of Information Technology	1.00	1.00	1.00	1.00	1.00	1.00
Information Security Manager	1.00	1.00	1.00	1.00	1.00	1.00
Information Systems Manager	1.00	1.00	1.00	1.00	1.00	1.00
Information Systems Specialist	4.00	4.00	4.00	4.00	4.00	4.00
Information Systems Support Technician	2.00	3.00	2.00	2.00	2.00	2.00
Program Manager II	0.00	0.00	1.00	1.00	1.00	1.00
Senior Information Systems Specialist	4.00	5.00	5.00	5.00	5.00	5.00
Senior Management Analyst	1.00	1.00	1.00	1.00	1.00	1.00
Senior Systems Analyst	5.00	5.00	4.00	4.00	4.00	4.00
TOTAL INFORMATION TECHNOLOGY	47.00	52.00	51.00	51.00	51.00	51.00
LIBRARY SERVICES						
Accounting Office Specialist III	1.00	1.00	1.00	1.00	1.00	1.00
Administrative & Fiscal Services Manager	1.00	1.00	1.00	1.00	1.00	1.00
Administrative Secretary	1.00	1.00	1.00	1.00	1.00	1.00
Assistant Human Resources Analyst	1.00	1.00	1.00	1.00	1.00	1.00
Assistant Management Analyst	3.00	2.00	1.00	1.00	1.00	1.00
Associate Human Resources Analyst	1.00	1.00	0.00	0.00	0.00	0.00

FY 2026 POSITION SUMMARY BY DEPARTMENT

	FY 2022 Actual	FY 2023 Actual	FY 2024 Actual	FY 2025 Actual	FY 2026 Adopted	FY 2026 Update
Associate Management Analyst	1.00	1.00	2.00	2.00	2.00	1.00
Building Maintenance Mechanic	2.00	2.00	2.00	2.00	2.00	2.00
Central Library Circulation Supervisor	0.00	0.00	0.00	0.00	0.00	1.00
Circulation Services Manager	1.00	1.00	1.00	1.00	1.00	1.00
Communication Specialist	0.00	0.00	0.00	1.00	1.00	1.00
Deputy Director of Library Services	1.00	1.00	1.00	1.00	1.00	1.00
Director of Library Services	1.00	1.00	1.00	1.00	1.00	1.00
Information Systems Specialist	3.00	3.00	2.00	2.00	2.00	2.00
Librarian I/II	22.30	22.80	25.80	26.50	26.50	24.25
Library Aide	13.50	14.00	13.00	18.75	18.75	14.13
Library Assistant	14.25	14.25	15.25	19.75	19.75	21.75
Library Info Systems Administrator	1.00	1.00	1.00	1.00	1.00	1.00
Library Literacy Program Coordinator	1.00	1.00	1.00	1.00	1.00	1.00
Library Services Manager	2.00	2.00	2.00	2.00	2.00	2.00
Library Specialist I	3.00	3.00	3.00	3.00	3.00	3.00
Library Specialist II	13.80	13.80	13.55	15.05	15.05	16.05
Mail Services Aide	2.00	2.00	2.00	2.00	2.00	2.00
Program Manager II	0.00	0.00	1.00	1.00	1.00	2.00
Senior Building Maintenance Supervisor	1.00	1.00	1.00	1.00	1.00	1.00
Senior Human Resources Analyst	0.00	0.00	1.00	1.00	1.00	1.00
Senior Information System Specialist	0.00	0.00	1.00	1.00	1.00	1.00
Senior Librarian	3.00	3.00	3.00	3.00	3.00	3.00
Social Services Specialist	1.00	1.00	1.00	1.00	1.00	1.00
Supervising Librarian	8.00	8.00	8.00	9.00	9.00	10.00
Supervising Library Assistant	9.00	9.00	9.00	9.00	9.00	8.00
Tool Lending Specialist	3.00	3.00	3.00	3.00	3.00	4.00
TOTAL LIBRARY SERVICES	114.85	114.85	118.60	133.05	133.05	131.18
MAYOR & COUNCIL						
Assistant to Mayor	3.00	3.00	3.00	4.00	4.00	4.00
Legislative Aides	12.00	16.00	16.00	19.00	19.00	19.00
TOTAL MAYOR AND COUNCIL	15.00	19.00	19.00	23.00	23.00	23.00
OFFICE OF THE DIRECTOR OF POLICE ACCOUNTABILITY*						
Associate Management Analyst	0.00	2.00	2.00	3.00	3.00	3.00
Director of Police Accountability	1.00	1.00	1.00	1.00	1.00	1.00
Office Specialist III	1.00	1.00	1.00	0.00	0.00	0.00
Police Review Commission Officer	1.00	0.00	0.00	0.00	0.00	0.00
Police Accountability Investigator	1.00	1.00	2.00	2.00	2.00	2.00
TOTAL OFFICE OF THE DIRECTOR OF POLICE	4.00	5.00	6.00	6.00	6.00	6.00
PARKS RECREATION & WATERFRONT						
Accounting Office Specialist II	1.00	1.00	1.00	1.00	1.00	1.00
Accounting Office Specialist III	2.00	2.00	2.00	2.00	2.00	2.00
Accounting Office Specialist Supervisor	2.00	2.00	2.00	2.00	2.00	2.00
Aministrative Fiscal Services Manager	0.00	0.00	0.00	0.00	0.00	1.00
Administrative Secretary	1.00	1.00	1.00	1.00	1.00	1.00
Aquatics Coordinator	1.00	1.00	1.00	1.00	1.00	1.00
Aquatics Facilities Supervisor (#)	1.00	1.00	1.00	1.00	1.00	1.00
Aquatics Specialist II	0.50	0.00	0.00	0.00	0.00	0.00

FY 2026 POSITION SUMMARY BY DEPARTMENT

	FY 2022 Actual	FY 2023 Actual	FY 2024 Actual	FY 2025 Actual	FY 2026 Adopted	FY 2026 Update
Assistant Aquatics Coordinator	0.00	1.00	1.00	1.00	1.00	1.00
Assistant Civil Engineer (Reg)	2.00	2.00	2.00	2.00	2.00	2.00
Assistant Management Analyst	2.00	2.00	2.00	2.00	2.00	2.00
Assistant Recreation Coordinator	6.00	8.00	10.00	9.00	9.00	9.00
Associate Civil Engineer	3.00	3.00	4.00	4.00	4.00	4.00
Associate Management Analyst	1.00	1.00	1.00	1.00	1.00	1.00
Building Maintenance Mechanic	9.00	9.00	9.00	9.00	9.00	9.00
Building Maintenance Supervisor	1.00	1.00	1.00	1.00	1.00	1.00
Camps Manager	2.00	2.00	2.00	2.00	2.00	2.00
Capital Improvements Program Manager	1.00	1.00	0.00	0.00	0.00	0.00
Deputy Director of Parks Recreation & Waterfront	1.00	1.00	1.00	1.00	1.00	1.00
Director of Parks & Waterfront	1.00	1.00	1.00	1.00	1.00	1.00
Forestry Climber	4.00	4.00	4.00	4.00	4.00	4.00
Forestry Climber Supervisor	1.00	1.00	2.00	2.00	2.00	2.00
Forestry Technician	1.00	1.00	1.00	1.00	1.00	1.00
Landscape Equipment Operator	4.00	4.00	4.00	4.00	4.00	4.00
Landscape Gardener	15.00	16.00	16.00	16.00	16.00	17.00
Landscape Gardener Supervisor	5.00	5.00	5.00	5.00	5.00	5.00
Marina Assistant	3.00	3.00	1.00	2.00	2.00	2.00
Office Specialist II	2.00	4.00	1.00	1.00	1.00	1.00
Office Specialist III	0.00	0.00	2.00	2.00	2.00	2.00
Parks Superintendent	1.00	1.00	1.00	1.00	1.00	1.00
Recreation & Youth Svcs Manager	1.00	1.00	1.00	1.00	1.00	1.00
Recreation Activity Leader	5.75	3.00	2.00	2.00	2.00	2.00
Recreation Coordinator	6.00	7.00	7.00	7.00	7.00	7.00
Recreation Program Supervisor	3.00	3.00	4.00	4.00	4.00	4.00
Rosarian	1.00	1.00	1.00	1.00	1.00	1.00
Senior Building Maintenance Supervisor	1.00	1.00	1.00	1.00	1.00	1.00
Senior Forestry Climber	3.00	3.00	3.00	3.00	3.00	3.00
Senior Forestry Supervisor	1.00	1.00	1.00	1.00	1.00	1.00
Senior Groundskeeper	1.00	1.00	1.00	1.00	1.00	1.00
Senior Landscape Gardener	3.00	4.00	4.00	4.00	4.00	4.00
Senior Landscape Gardener Supervisor	1.00	1.00	1.00	1.00	1.00	1.00
Senior Management Analyst	2.00	2.00	2.00	2.00	2.00	1.00
Sports Official	2.00	2.00	2.00	2.00	2.00	2.00
Supervising Civil Engineer	1.00	2.00	2.00	2.00	2.00	2.00
Waterfront Manager	1.00	1.00	1.00	1.00	1.00	1.00
Waterfront Supervisor	1.00	1.00	1.00	1.00	1.00	1.00
TOTAL PARKS REC & WATERFRONT	107.25	113.00	113.00	113.00	113.00	114.00

PLANNING & DEVELOPMENT DEPARTMENT

Accounting Office Specialist II	1.00	3.00	2.00	2.00	2.00	2.00
Accounting Office Specialist III	3.00	3.00	3.00	3.00	3.00	3.00
Accounting Office Specialist Supervisor	0.00	1.00	1.00	1.00	1.00	1.00
Administrative & Fiscal Services Manager	1.00	1.00	1.00	1.00	1.00	1.00
Assistant Building & Safety Manager	1.00	1.00	1.00	1.00	1.00	1.00
Assistant Management Analyst	2.00	2.00	2.00	2.00	2.00	2.00
Assistant Inspector	0.00	0.00	1.00	1.00	1.00	1.00
Assistant Planner	6.00	7.00	7.00	7.00	7.00	6.00
Associate Management Analyst	3.00	3.00	3.00	3.00	3.00	3.00
Associate Planner	5.00	6.00	6.00	6.00	6.00	7.00
Associate Planner ***	0.00	1.00	1.00	1.00	1.00	1.00
Building and Safety Manager	1.00	1.00	1.00	1.00	1.00	1.00
Building Inspector I (certified)	4.00	2.00	2.00	2.00	2.00	2.00

FY 2026 POSITION SUMMARY BY DEPARTMENT

	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2026
	Actual	Actual	Actual	Actual	Adopted	Update
Building Inspector II (certified)	7.00	6.00	6.00	6.00	6.00	6.00
Building Plans Engineer	1.00	1.00	1.00	1.00	1.00	1.00
Building Plans Examiner	2.00	2.94	2.94	2.94	2.94	2.94
Community Services Specialist I (#)	1.35	2.00	2.00	2.00	2.00	2.00
Community Services Specialist II	3.75	3.75	3.75	3.60	3.60	2.75
Community Services Specialist III	2.85	2.80	2.80	2.80	2.80	2.80
Deputy Director of Planning	0.00	1.00	1.00	1.00	1.00	1.00
Director of Planning	1.00	1.00	1.00	1.00	1.00	1.00
Energy Program Manager	1.00	1.00	0.00	0.00	0.00	0.00
Hazardous Material Manager	1.00	1.00	1.00	1.00	1.00	1.00
Hazardous Material Specialist I	0.00	1.00	1.00	1.00	1.00	1.00
Hazardous Material Specialist II	4.00	3.00	3.00	3.00	3.00	3.00
Housing Inspector I (Certified)	0.00	1.00	1.00	1.00	1.00	1.00
Housing Inspector II (Certified)	6.00	2.00	2.00	2.00	2.00	2.00
Housing Inspector Supervisor	2.00	2.00	2.00	2.00	2.00	2.00
Land Use Planning Manager	1.00	1.00	1.00	1.00	1.00	1.00
Office Specialist II (#)	7.50	7.75	7.75	7.75	7.75	7.75
Office Specialist III	3.00	3.00	3.00	3.00	3.00	3.00
Office Specialist Supervisor	1.00	1.00	1.00	1.00	1.00	1.00
Permit Center Coordinator	1.00	1.00	1.00	1.00	1.00	1.00
Permit Specialist	4.00	4.00	4.00	4.00	4.00	4.00
Planning Technician	4.00	3.00	3.00	3.00	3.00	3.00
Planning Technician ***	0.00	1.00	1.00	1.00	1.00	1.00
Principal Planner	4.00	5.00	5.00	5.00	5.00	5.00
Program Manager II	0.00	0.00	1.00	1.00	1.00	2.00
Program Manager II**	0.00	0.00	1.00	1.00	1.00	0.00
Resilient Buildings Program Manager	0.88	0.80	0.80	0.80	0.80	0.80
Senior Building Inspector	2.00	2.00	2.00	3.00	3.00	3.00
Senior Building Plans Engineer	2.00	2.00	2.00	2.00	2.00	2.00
Senior Building Plans Examiner	2.00	2.00	2.00	2.00	2.00	2.00
Senior Housing Inspector	0.00	1.00	2.00	2.00	2.00	2.00
Senior Management Analyst	0.00	0.00	0.00	0.00	0.00	1.00
Senior Permit Specialist	2.00	2.00	2.00	2.00	2.00	2.00
Senior Planner	5.00	5.00	5.00	5.00	5.00	5.00
Senior Planner***	0.00	1.00	1.00	1.00	1.00	1.00
Supervising Building Inspector	1.00	1.00	1.00	1.00	1.00	1.00
TOTAL PLANNING DEPARTMENT	100.33	106.04	108.04	108.89	108.89	109.04

POLICE DEPARTMENT

Administrative & Fiscal Services Manager	1.00	1.00	1.00	1.00	1.00	1.00
Administrative Assistant	1.00	1.00	1.00	1.00	1.00	1.00
Assistant Management Analyst	2.00	4.00	4.00	4.00	4.00	4.00
Communications Manager	1.00	1.00	1.00	1.00	1.00	1.00
Community Service Officer	21.00	21.00	21.00	27.00	27.00	27.00
Community Service Officer ***	0.00	6.00	6.00	0.00	0.00	0.00
Community Service Officer Supervisor	4.00	4.00	4.00	5.00	5.00	5.00
Community Service Officer Supervisor ***	0.00	1.00	1.00	0.00	0.00	0.00
Crime Analyst	1.00	3.00	3.00	2.00	2.00	2.00
Crime Scene Supervisor	1.00	1.00	1.00	1.00	1.00	1.00
Deputy Police Chief	0.00	0.00	0.00	1.00	1.00	1.00
Office Specialist II	5.00	5.00	5.00	5.00	5.00	4.00
Office Specialist III (#)	6.00	6.00	6.00	6.00	6.00	7.00
Office Specialist Supervisor	1.00	1.00	1.00	1.00	1.00	1.00
Parking Enforcement Manager	1.00	1.00	1.00	1.00	1.00	1.00

FY 2026 POSITION SUMMARY BY DEPARTMENT

	FY 2022 Actual	FY 2023 Actual	FY 2024 Actual	FY 2025 Actual	FY 2026 Adopted	FY 2026 Update
Parking Enforcement Officer	21.00	22.00	22.00	22.00	22.00	22.00
Parking Enforcement Supervisor	2.00	2.00	2.00	2.00	2.00	2.00
Police Captain	4.00	4.00	4.00	3.00	3.00	3.00
Police Chief	1.00	1.00	1.00	1.00	1.00	1.00
Police Lieutenant	9.00	9.00	9.00	9.00	9.00	9.00
Police Officer (#)	135.00	135.00	135.00	135.00	135.00	135.00
Police Sergeant (#)	32.00	32.00	32.00	32.00	32.00	32.00
Principal Program Manager	0.00	0.00	0.00	1.00	1.00	1.00
Public Safety Dispatcher I & II (#)	28.00	36.00	36.00	36.00	36.00	36.00
Supervising Public Safety Dispatcher (#)	4.00	5.00	5.00	5.00	5.00	5.00
TOTAL POLICE DEPARTMENT	281.00	302.00	302.00	302.00	302.00	302.00

PUBLIC WORKS

Accounting Office Specialist II	1.00	2.00	1.00	2.00	2.00	2.00
Accounting Office Specialist III	5.00	4.00	5.00	5.00	5.00	5.00
Accounting Office Specialist Supervisor	0.00	1.00	1.00	1.00	1.00	1.00
ADA Program Coordinator	0.00	0.00	0.00	1.00	1.00	1.00
Administrative Assistant	1.00	1.00	1.00	1.00	1.00	1.00
Administrative & Fiscal Services Manager	1.00	1.00	1.00	1.00	1.00	1.00
Administrative Secretary	2.00	2.00	2.00	2.00	2.00	2.00
Assistant Civil Engineer (Reg) (#)	5.00	5.00	5.00	5.00	5.00	5.00
Assistant Management Analyst	5.00	6.00	5.00	6.00	6.00	6.00
Assistant Planner	2.00	2.00	2.00	2.00	2.00	2.00
Assistant Public Works Engineer	2.00	2.00	2.00	2.00	2.00	2.00
Assistant Transportation Engineer	2.00	2.00	2.00	2.00	2.00	2.00
Associate Civil Engineer	10.00	9.00	9.00	10.00	10.00	10.00
Associate Management Analyst	4.00	5.00	5.00	5.00	5.00	5.00
Associate Planner	2.00	3.00	3.00	3.00	3.00	3.00
Associate Planner *** (#)	0.00	1.00	1.00	1.00	1.00	1.00
Associate Transportation Engineer	2.00	2.00	2.00	2.00	2.00	2.00
Building Maintenance Mechanic	5.00	5.00	5.00	5.00	5.00	5.00
Building Maintenance Mechanic Trainee	0.00	1.00	1.00	1.00	1.00	1.00
Building Maintenance Supervisor	1.00	1.00	0.94	0.94	0.94	1.00
Chief of Party	2.00	2.00	2.00	2.00	2.00	2.00
Communications Supervisor	0.00	0.00	0.00	1.00	1.00	1.00
Communications Technician	3.00	3.00	3.00	3.00	3.00	3.00
Community Development Project Coordinator	1.00	2.00	2.00	2.00	2.00	2.00
Community Services Specialist I	0.00	1.00	1.00	1.00	1.00	1.00
Concrete Finisher	3.00	3.00	3.00	3.00	3.00	3.00
Construction Equipment Operator	3.00	3.00	3.00	3.00	3.00	3.00
Container Maintenance Welder	2.00	2.00	2.00	2.00	2.00	2.00
Deputy Director of Public Works	1.00	1.00	1.00	1.00	1.00	1.00
Deputy Director of Public Works Reg	0.00	1.00	1.00	1.00	1.00	1.00
Director of Public Works	1.00	1.00	1.00	1.00	1.00	1.00
Disability Services Specialist	1.00	1.00	1.00	0.00	0.00	0.00
Drafting Aide	1.00	0.00	0.00	0.00	0.00	0.00
Drafting Technician	1.00	1.00	1.00	1.00	1.00	0.00
Electrical Parts Technician	1.00	0.00	1.00	1.00	1.00	1.00
Electrical Supervisor	0.00	0.00	0.00	1.00	1.00	1.00
Electrician	7.00	7.00	7.00	7.00	7.00	7.00
Engineering Inspector	9.00	9.00	9.00	9.00	9.00	9.00
Engineering Technician	0.00	0.00	0.00	0.00	0.00	1.00
Environmental Compliance Specialist	2.00	2.00	2.00	2.00	2.00	2.00

FY 2026 POSITION SUMMARY BY DEPARTMENT

	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2026
	Actual	Actual	Actual	Actual	Adopted	Update
Equipment Superintendent	1.00	1.00	1.00	1.00	1.00	1.00
Facilities Maintenance Superintendent	1.00	1.00	1.00	1.00	1.00	1.00
Field Representative	3.00	7.00	6.00	6.00	6.00	5.00
Janitor	7.00	7.00	8.00	8.00	8.00	8.00
Janitor Supervisor	1.00	1.00	1.00	1.00	1.00	1.00
Junior Public Works Engineer	1.00	3.00	3.00	3.00	3.00	3.00
Laborer	21.00	20.00	20.00	20.00	20.00	20.00
Lead Communication Technician	1.00	1.00	1.00	1.00	1.00	1.00
Lead Electrician	3.00	3.00	3.00	3.00	3.00	3.00
Manager of Engineering	1.00	1.00	1.00	1.00	1.00	1.00
Mechanic	8.00	8.00	9.00	9.00	9.00	9.00
Mechanic Lead	1.00	1.00	1.00	1.00	1.00	1.00
Mechanic Supervisor	2.00	2.00	2.00	2.00	2.00	2.00
Mechanical Sweeper Operator	5.00	5.00	5.00	6.00	6.00	6.00
Occupational Health & Safety Officer	1.00	1.00	1.00	2.00	2.00	2.00
Office Specialist II	3.00	5.00	4.00	4.00	4.00	4.00
Office Specialist III	4.00	3.00	4.00	4.00	4.00	4.00
Parking Meter Maint & Collection Suprv	1.00	1.00	1.00	1.00	1.00	1.00
Parking Meter Maintenance Worker	6.00	6.00	6.00	6.00	6.00	6.00
Parking Meter Mechanic	5.00	5.00	4.00	4.00	4.00	4.00
Parking Services Manager	1.00	1.00	1.00	1.00	1.00	1.00
Principal Planner	1.00	1.00	1.00	1.00	1.00	1.00
Program Manager I	0.00	0.00	0.00	0.00	0.00	1.00
Public Works Maintenance Superintendent	1.00	1.00	1.00	1.00	1.00	1.00
Public Works Operations Manager	2.00	2.00	2.00	2.00	2.00	2.00
Public Works Supervisor (#)	5.00	6.00	7.00	7.00	7.00	7.00
Recycling Program Manager	1.00	1.00	1.00	1.00	1.00	1.00
Senior Building Inspector	2.00	3.00	1.00	0.00	0.00	0.00
Senior Building Maintenance Supervisor	1.00	0.00	0.00	0.00	0.00	0.00
Senior Drafting Technician	1.00	1.00	1.00	1.00	1.00	0.00
Senior Electrical Supervisor	1.00	1.00	1.00	0.00	0.00	0.00
Senior Engineering Inspector	0.00	0.00	1.00	1.00	1.00	1.00
Senior Equipment Supervisor	1.00	1.00	1.00	1.00	1.00	1.00
Senior Engineering Technician	0.00	0.00	0.00	0.00	0.00	1.00
Senior Management Analyst	4.00	4.00	4.00	6.00	6.00	6.00
Senior Field Representative	0.00	0.00	1.00	1.00	1.00	1.00
Senior Planner	2.00	2.00	2.00	2.00	2.00	2.00
Senior Public Works Supervisor	3.00	3.00	3.00	3.00	3.00	3.00
Senior Solid Waste Supervisor	2.00	2.00	2.00	2.00	2.00	2.00
Service Technician	4.00	4.00	4.00	4.00	4.00	4.00
Sewer Maintenance Assistant Supervisor	7.00	7.00	7.00	7.00	7.00	7.00
Skilled Laborer	17.00	21.00	21.00	21.00	21.00	21.00
Solid Waste Loader Operator	2.00	2.00	2.00	2.00	2.00	2.00
Solid Waste Supervisor	4.00	4.00	4.00	5.00	5.00	5.00
Solid Waste Truck Driver	33.00	33.00	33.00	33.00	33.00	33.00
Solid Waste Worker	36.00	36.00	36.00	36.00	36.00	36.00
Solid Waste/Recycling Manager	1.00	1.00	1.00	1.00	1.00	1.00
Supervising Civil Engineer	4.00	4.00	5.00	5.00	5.00	5.00
Supervising Transportation Engineer	1.00	1.00	1.00	1.00	1.00	1.00
Survey Technician	1.00	1.00	1.00	1.00	1.00	1.00
Tractor Trailer Driver	7.00	7.00	7.00	7.00	7.00	7.00
Traffic Engineering Assistant	1.00	1.00	1.00	1.00	1.00	1.00
Traffic Maintenance Supervisor	1.00	1.00	1.00	1.00	1.00	1.00
Traffic Maintenance Worker I	3.00	4.00	4.00	4.00	4.00	5.00
Traffic Maintenance Worker II	2.00	2.00	2.00	2.00	2.00	2.00

FY 2026 POSITION SUMMARY BY DEPARTMENT

	FY 2022 Actual	FY 2023 Actual	FY 2024 Actual	FY 2025 Actual	FY 2026 Adopted	FY 2026 Update
Transportation Manager	1.00	0.00	1.00	1.00	1.00	1.00
Warehouse Operations Specialist	1.00	1.00	1.00	1.00	1.00	1.00
Weighmaster	4.00	4.00	4.00	4.00	4.00	4.00
Welder Mechanic	1.00	1.00	0.00	0.00	0.00	0.00
TOTAL PUBLIC WORKS	323.00	340.00	341.94	349.94	349.94	351.00
RENT STABILIZATION BOARD						
Accounting Office Specialist II	0.00	0.00	0.00	0.00	0.00	1.00
Accounting Office Specialist III	0.00	1.00	1.00	1.00	1.00	1.00
Administrative & Fiscal Services Manager	0.00	0.00	1.00	1.00	1.00	1.00
Administrative Staff Assistant	0.00	0.00	0.00	0.00	0.00	1.00
Assistant Management Analyst	0.00	0.00	0.00	1.00	1.00	1.00
Associate Management Analyst	1.00	1.00	1.00	1.00	1.00	1.00
Associate Planner	1.00	1.00	1.00	1.00	1.00	1.00
Community Development Project Coordinator	0.00	0.00	0.00	0.00	0.00	1.00
Community Services Specialist II	7.00	7.00	7.00	7.00	7.00	6.00
Community Services Specialist III	1.80	0.80	1.00	1.00	1.00	1.00
Deputy Director Rent Stabilization Program	1.00	0.00	0.00	0.00	0.00	0.00
Digital Communications Coordinator	0.00	0.00	0.00	0.00	0.00	1.00
General Counsel	1.00	1.00	1.00	1.00	1.00	1.00
Executive Director Rent Board	1.00	1.00	1.00	1.00	1.00	1.00
Legal Secretary	1.00	1.00	1.00	1.00	1.00	1.00
Office Specialist II	4.00	4.00	4.00	4.00	4.00	3.00
Office Specialist III	1.00	1.00	1.00	1.00	1.00	1.00
Senior Hearing Examiner	1.00	1.00	1.00	1.00	1.00	1.00
Senior Management Analyst	0.75	0.75	1.00	1.00	1.00	1.00
Senior Planner	1.00	1.00	1.00	1.00	1.00	1.00
Staff Attorney II	2.00	2.00	2.00	2.00	2.00	2.00
TOTAL RENT STABILIZATION BOARD	24.55	23.55	25.00	26.00	26.00	28.00
TOTAL AUTHORIZED FTEs	1,549.08	1,676.79	1,707.03	1,746.83	1,748.83	1,767.17

LEGEND:

** Project Based Position (not to exceed 2 years)

*** Project Based Position (not to exceed 3 years)

**** Project Based Position (not to exceed 4 years)

Includes positions that were authorized but not budgeted in FY 2026, or for which funding was reallocated.

See addendum.

EXHIBIT 1
General Fund: Overview of Budgeted Vacant Positions (1)
Fiscal Year 25-26

	Budgeted Vacancies		Filled Positions		Exemptions		Adjusted Budgeted Vacancies	
	FTE's	Amount	FTE's	Amount	FTE's	Amount	FTE's	Amount
City Attorney	2.0	\$401,598	0.0	\$0	0.0	\$0	2.0	\$401,598
City Clerk	1.0	137,101	0.0	0	0.0	0	1.0	137,101
City Manager	5.0	1,171,005	0.0	0	0.0	0	5.0	1,171,005
Finance	11.5	1,788,904	0.0	0	0.0	0	11.5	1,788,904
Health, Housing and Community Services	14.8	2,920,720	4.5	1,068,861	1.0	235,649	9.3	1,616,210
Human Resources	1.9	501,482	0.9	380,079	0.0	0	1.0	121,403
Information Technology	0.0	0	0.0	0	0.0	0	0.0	0
Planning	1.8	239,275	0.5	66,077	0.0	0	1.3	173,198
Parks, Recreation, & Waterfront	1.0	112,970	0.0	0	0.0	0	1.0	112,970
Public Works	3.8	732,773	0.0	6,070	0.8	193,730	3.0	532,973
Total Non-Sworn	42.8	8,005,828	5.9	1,521,087	1.8	429,379	35.1	6,055,362
Police	64.0	\$14,000,921	4.0	\$1,114,716	9.0	\$1,613,115	51.0	\$11,273,090
Fire	22.0	3,239,437	1.0	138,249	3.0	540,018	18.0	2,561,170
Total Sworn	86.0	17,240,358	5.0	1,252,965	12.0	2,153,133	69.0	13,834,260
Total Non-Sworn and Sworn	128.8	\$25,246,186	10.9	\$2,774,052	13.8	\$2,582,512	104.1	\$19,889,622

(1). Excludes the Auditor and Office of the Director of Police Accountability.

EXHIBIT 2
General Fund: Estimated Savings From Corrections, Reallocations, and Vacancy
Fiscal Year 25-26

	Corrections		Reallocations		Vacant Positions		Total Estimated Savings	
	FTE's	Amount	FTE's	Amount	FTE's	Amount	FTE's	Amount
City Attorney	0.0	\$0	0.0	\$0	1.0	\$142,630	1.0	\$142,630
City Clerk	0.0	0	0.0	0	1.0	137,101	1.0	137,101
City Manager	0.0	0	0.0	0	4.0	1,049,602	4.0	1,049,602
Finance	0.0	0	0.0	0	4.0	491,900	4.0	491,900
Health, Housing and Community Services (1)	0.0	0	0.8	108,326	6.1	1,074,757	6.9	1,183,083
Human Resources	0.0	0	0.0	0	1.0	121,403	1.0	121,403
Information Technology	0.0	0	0.0	0	0.0	0	0.0	0
Planning	0.0	0	0.0	0	1.3	173,198	1.3	173,198
Parks, Recreation, & Waterfront	0.0	0	0.0	0	1.0	112,970	1.0	112,970
Public Works (2)	0.0	0	1.0	196,569	2.0	336,404	3.0	532,973
Total Non-Sworn	0.0	\$0	1.8	\$304,895	21.4	\$3,639,965	23.2	\$3,944,860
Police (3)	1.0	\$376,054	0.0	\$0	13.0	\$2,772,085	14.0	\$3,148,139
Fire (4)	0.0	0	10.0	926,930	8.0	1,334,240	18.0	2,261,170
Total Sworn	1.0	\$376,054	10.0	\$926,930	21.0	\$4,106,325	32.0	\$5,409,309
Total Non-Sworn and Sworn	1.0	\$376,054	11.8	\$1,231,825	42.4	\$7,746,290	55.2	\$9,354,169

(1) One position in environmental health is being reallocated to a grant.

(2) One position is being reallocated to Measure FF (Streets).

(3) One Sergeant is being removed as it was a provisional position to be filled on a temporary basis and should not be budgeted in FY 26.

(4) Ten paramedics are being reallocated to Measure FF (Fire) and savings from vacant paramedics are adjusted for anticipated overtime needs.

EXHIBIT 3
General Fund: Vacant Budgeted Positions, By Department
Fiscal Year 25-26

	A (Exhibit 1)		B (Exhibit 2)		C=A-B	
	Adjusted Budgeted Vacancies		Corrections, Reallocations and Vacant Positions		Remaining Budgeted Vacant Positions	
	FTE's	Amount	FTE's	Amount	FTE's	Amount
City Attorney	2.0	\$401,598	1.0	\$142,630	1.0	\$258,968
City Clerk	1.0	137,101	1.0	137,101	0.0	0
City Manager	5.0	1,171,005	4.0	1,049,602	1.0	121,403
Finance	11.5	1,788,904	4.0	491,900	7.5	1,297,004
Health, Housing and Community Services	9.3	1,616,210	6.9	1,183,083	2.4	433,127
Human Resources	1.0	121,403	1.0	121,403	0.0	0
Information Technology	0.0	0	0.0	0	0.0	0
Planning	1.3	173,198	1.3	173,198	0.0	0
Parks, Recreation, & Waterfront	1.0	112,970	1.0	112,970	0.0	0
Public Works	3.0	532,973	3.0	532,973	0.0	0
Total Non-Sworn	35.1	\$6,055,362	23.2	\$3,944,860	11.9	\$2,110,502
Police	51.0	\$11,273,090	14.0	\$3,148,139	37.0	\$8,124,951
Fire (1)	18.0	2,561,170	18.0	2,261,170	0.0	300,000
Total Sworn	69.0	\$13,834,260	32.0	\$5,409,309	37.0	\$8,424,951
Total Non-Sworn and Sworn	104.1	\$19,889,622	55.2	\$9,354,169	48.9	\$10,535,453

(1) Amount in Column C reflects resources needed for overtime that results from positions held vacant.

General Fund Vacant Positions as of 04.01.2025							
Department Name	PCN#	Position Description	Budgeted Amount	% GF Funded	How long has the position been vacant?	Filled	Notes
City Attorney	N/A	RISK MANAGER	\$ 258,968	1.00	1+ years	No	Budgeted
City Attorney	991	SENIOR LEGAL SECRETARY - CA - OFFICE OF THE CITY ATTY	\$ 142,630	1.00	1+ years	No	Held Vacant
City Attorney Total			\$ 401,598	2.00			
City Auditor	783	ACCOUNTING TECHNICIAN - AUDITOR - PAYROLL DIVISON	\$ 161,902	1.00	1 to 3 months		
City Auditor	1746	AUDITOR I - AUDITOR - PERFORMANCE DIVISION	\$ 169,155	1.00	1 to 3 months		
City Auditor	2908	SENIOR AUDITOR - AUDITOR - PAYROLL DIVISON	\$ 211,461	1.00			
City Auditor Total			\$ 542,518	3.00			
City Clerk	1271	OFFICE SPECIALIST III - CC - OFFICE OF THE CITY CLERK	\$ 137,101	1.00	2-3 years	No	Held vacant
City Clerk Total			\$ 137,101	1.00			
City Manager	3952	ADMIN ASSISTANT UNREP - CMO - OFFICE OF THE CITY MANAG	\$ 137,584	1.00	4 to 6 months	No	Held vacant
City Manager	1898	DEPUTY CITY MANAGER	\$ 508,852	1.00	4 to 6 months	No	Held vacant
City Manager	1416	DIGITAL COMNCATNS COORD - CMO - COMMUNICATIONS	\$ 212,996	1.00	1 to 3 months	No	Held vacant
City Manager	1628	OFFICE SPECIALIST II - CMO - OFFICE OF THE CITY MANAG	\$ 121,403	1.00	7 to 12 months	No	Budgeted to address span of control issues at Animal Shelter
City Manager	2588	PROGRAM MANAGER I	\$ 190,170	1.00	7 to 12 months	No	Held vacant
City Manager Total			\$ 1,171,005	5.00			
Finance	3578	ACCT OFF SPEC II MC - FIN - REV COLLECTION - LICENSING	\$ 121,754	1.00	4 to 6 months	No	Hold Vacant
Finance	1430	ACCT OFF SPEC II MC - FIN - TREASURY - DIVISI	\$ 121,754	1.00	4 to 6 months	No	Hold Vacant
Finance	3866	ACCT OFF SPEC III MC - FIN - TREASURY - DIVISION	\$ 137,947	1.00	4 to 6 months	No	Budgeted
Finance	565	ADMIN SECRETARY - FINANCE - OFFICE OF THE DIR	\$ 183,749	1.00	1 to 3 months	No	Budgeted
Finance	221	ASSOC MGMT ANALYST CSU - FIN - REV COLLECTION - LICENSING	\$ 86,328	0.50	1+ years	No	Budgeted, plan to fill 1/1/26
Finance	1220	CUSTOMER SVC SPEC II - FIN - REV COLLECTION - CUST SVC	\$ 124,196	1.00	7 to 12 months	No	Hold Vacant
Finance	2477	CUSTOMER SVC SPEC II - FIN - REV COLLECTION - CUST SVC	\$ 124,196	1.00	7 to 12 months	No	Hold Vacant
Finance	1282	GENERAL SERVICES MANAGER - FIN - GENERAL SERVICES - DIVISON	\$ 211,973	1.00	4 to 6 months	No	Budgeted
Finance	2597	REVENUE DEVELOPMENT SPEC I - FIN - TREASURY - REV DEVELOPMENT	\$ 142,340	1.00	1+ years	No	Budgeted
Finance	3310	REVENUE DEVELOPMENT SPEC I - FIN - TREASURY - REV DEVELOPMENT	\$ 142,340	1.00	1+ years	No	Budgeted
Finance	2461	REVENUE DEVELOPMENT SUP - FIN - TREASURY - REV DEVELOPMENT	\$ 185,934	1.00	1+ years	No	Budgeted
Finance	1289	SENIOR SYSTEMS ANALYST - FIN - ANALYTICAL SYS DIV	\$ 206,393	1.00	7 to 12 months	No	Budgeted
Finance Total			\$ 1,788,904	11.50			
Fire	4451	FIRE CAPTAIN II - FD - OPERAT - FIRE SUPPRESSION	\$ 281,161	1.00	1-2 years	No	Proposed to be filled, Exemption
Fire	2772	FIREFIGHTER - FD - OPER - EMERGENCY MED SVCS	\$ 217,468	1.00	1 to 3 months	No	Held vacant
Fire	3891	LIMITED TERM EMT	\$ 92,693	1.00	2-3 years	No	To Be Funded by Measure FF
Fire	3892	LIMITED TERM EMT	\$ 92,693	1.00	2-3 years	No	To Be Funded by Measure FF
Fire	3893	LIMITED TERM EMT	\$ 92,693	1.00	2-3 years	No	To Be Funded by Measure FF
Fire	3894	LIMITED TERM EMT	\$ 92,693	1.00	2-3 years	No	To Be Funded by Measure FF
Fire	3895	LIMITED TERM EMT	\$ 92,693	1.00	2-3 years	No	To Be Funded by Measure FF
Fire	3896	LIMITED TERM EMT	\$ 92,693	1.00	2-3 years	No	To Be Funded by Measure FF
Fire	3897	LIMITED TERM EMT	\$ 92,693	1.00	2-3 years	No	To Be Funded by Measure FF
Fire	3898	LIMITED TERM EMT	\$ 92,693	1.00	2-3 years	No	To Be Funded by Measure FF
Fire	3899	LIMITED TERM EMT	\$ 92,693	1.00	2-3 years	No	To Be Funded by Measure FF
Fire	3900	LIMITED TERM EMT	\$ 92,693	1.00	2-3 years	No	To Be Funded by Measure FF
Fire	2894	MECHANIC - FIRE DEPARTMENT	\$ 139,076	1.00	7 to 12 months	No	Exemption, proposed to be filled
Fire	1924	OFFICE SPECIALIST II - FD - CHIEF ADMIN & FISCAL SRV	\$ 119,781	1.00	1 to 3 months	No	Exemption, proposed to be filled
Fire	2773	FIREFIGHTER - FD - OPER - EMERGENCY MED SVCS	\$ 256,015	1.00	1 to 3 months	No	Held vacant

General Fund Vacant Positions as of 04.01.2025							
Department Name	PCN#	Position Description	Budgeted Amount	% GF Funded	How long has the position been vacant?	Filled	Notes
Fire	1409	FIREFIGHTER - FD - OPER - EMERGENCY MED SVCS	\$ 241,540	1.00	1 to 3 months	No	Held vacant
Fire	2748	FIREFIGHTER - FD - OPER - EMERGENCY MED SVCS	\$ 248,613	1.00	1 to 3 months	No	Held vacant
Fire	1049	FIREFIGHTER - FD - OPER - EMERGENCY MED SVCS	\$ 244,214	1.00	1 to 3 months	No	Held vacant
Fire	3609	PARAMEDIC - FIRE	\$ 138,249	1.00	1 to 3 months	Yes	Filled
Fire	3930	PARAMEDIC (R) - FD OPER EMERGENCY MED SVCS S-P	\$ 142,130	1.00	1 to 3 months	No	Held vacant
Fire	3932	PARAMEDIC (R) - FD OPER EMERGENCY MED SVCS S-P	\$ 142,130	1.00	1 to 3 months	No	Held vacant
Fire	4608	PARAMEDIC (R) - FD OPER EMERGENCY MED SVCS S-P	\$ 142,130	1.00	1 to 3 months	No	Held vacant
Fire Total			\$ 3,239,437	22.00			
HHCS	3589	(T) COM SERVICE SPEC II - HHCS-HCS - HOMELESS SERVICES	\$ 172,665	1.00		Yes	Filled, temp position
HHCS	2535	BEHAVIORAL HLTH CLIN II - HHCS-AGING - SOCIAL SERVICES	\$ 96,468	0.44	1 to 3 months	No	Budgeted
HHCS	2404	BEHAVIORAL HLTH CLIN II - HHCS-MH - CRISIS SERVICES	\$ 164,261	1.00	3+ years	No	Hold Vacant, hard to fill position
HHCS	2630	COM DEVELOPMENT PROJ COOR - HHCS-HCS - COMMUNITY SVCS	\$ 188,182	1.00	2-3 years	No	Hold Vacant
HHCS	2517	CUSTOMER SERVICE SPECIALIST II - HHCS - PHOU - VITAL STATISTICS	\$ 116,739	0.94	4 to 6 months	Yes	Exception - Candidate selected, ready for onboarding
HHCS	1594	HEALTH OFFICER (CERT) - HHCS-PHOU UNIT	\$ 449,062	1.00	1 to 3 months	Yes	Budgeted
HHCS	568	HEALTH SERVICES PROGRAM SPEC - HHCS-PH - FAMILY WELL - WBFWC	\$ 118,527	0.72	4 to 6 months	No	Hold Vacant
HHCS	1206	HEALTH SERVICES PROGRAM SPEC - HHCS-PH - PREPAREDNESS	\$ 37,845	0.23	1 to 3 months	No	Budgeted
HHCS	1057	HEALTH SERVICES SUPERVISOR- HHCS - PH - ADMINISTRATION	\$ 104,453	0.50	1 to 3 months	Yes	Filled
HHCS	1638	MEALSITE COORDINATOR - HHCS-AGING - STH BERK SR CNTR	\$ 16,591	0.16	1 to 3 months	No	Budgeted
HHCS	3335	MENTAL HEALTH CLINICAL SUPV - HHCS-MH - CRISIS SERVICES	\$ 164,224	0.90	2-3 years	No	Hold Vacant, hard to fill position
HHCS	826	OFFICE SPECIALIST II - HHCS-AGING - STH BERK SR CNTR	\$ 119,598	1.00	3+ years	No	Hold Vacant
HHCS	204	OFFICE SPECIALIST II - HHCS-EH - ADMINISTRATION	\$ 74,123	0.60	1 to 3 months	No	Budgeted
HHCS	653	SENIOR COMM DEVLV PROJ COORD - HHCS-HCS - HOUSING	\$ 208,100	1.00	4 to 6 months	No	Budgeted
HHCS	792	SENIOR HEALTH SERV PROG SPEC - HHCS-PH - FAMILY WELL - WBFWC	\$ 227,927	1.00	1 to 3 months	No	Hold Vacant
HHCS	3394	SENIOR HEALTH SERV PROG SPEC - HHCS-PH - PREPAREDNESS	\$ 105,770	0.50	1 to 3 months	Yes	Filled
HHCS	1429	SOCIAL SERVICES SPECIALIST - HHCS-AGING - SOCIAL SERVICES	\$ 92,038	0.50	1 to 3 months	No	Hold Vacant
HHCS	851	SUPERVISING PUBLIC HLTH NURSE - HHCS-PHOU - COMMUNICABLE DIS	\$ 120,172	0.51	4 to 6 months	Yes	Exception - Candidate selected, ready for onboarding
HHCS	1960	SUPERVISING PUBLIC HLTH NURSE - HHCS-PHOU - COMMUNICABLE DIS	\$ 235,649	1.00	4 to 6 months	No	Exception to be submitted, candidate selected
HHCS	1056	VECTOR CONTROL TECHNICIAN - HHCS-EH - DIVISION	\$ 108,326	0.78	2-3 years	No	Reallocated
HHCS Total			\$ 2,920,720	14.78			
HR	1597	DIR OF HUMAN RESOURCES - HR - OFFICE OF HR DIRECTOR	\$ 380,079	0.90	1 to 3 months	Yes	To be Filled June 2025
HR	1498	OFFICE SPECIALIST II	\$ 121,403	1.00	1 to 3 months	No	Held vacant
HR Total			\$ 501,482	1.90			
Mayor and Council	3234	LEGISLATIVE AIDE - MAYOR'S OFFICE	\$ 142,454	1.00	7 to 12 months		
Mayor and Council Total			\$ 142,454	1.00			
ODPA	171	ASSOCIATE MANAGEMENT ANALYST - MAYOR'S OFFICE - OFFICE OF DIR. POLICE AC	\$ 172,848	1.00	4 to 6 months		
ODPA	3777	POLICE ACCOUNTABILITY INVESTIGATOR - MAYOR'S OFFICE - OFFICE OF DIR. POLICE AC	\$ 203,444	1.00	1 to 3 months		
ODPA Total			\$ 376,292	2.00			
Planning	1417	COMMUNITY SERVICE SPEC I - PLAN - ENERGY AND SUSTAINABILITY	\$ 113,866	0.80	1 to 3 months	No	Hold vacant
Planning	1506	OFFICE SPECIALIST II - PLAN - LAND USE - DIVISION	\$ 59,332	0.50	1-2 years	No	Hold vacant
Planning	3349	PLANNING TECHNICIAN - PLAN - LAND USE - DIVISION	\$ 66,077	0.50	1 to 3 months	Yes	Filled positon
Planning Total			\$ 239,275	1.80			
Police	2283	COMMUNITY SERVICE OFFICER- PD - SUP SRVS - JAIL	\$ 140,490	1.00	1 to 3 months	No	Exception Approved

General Fund Vacant Positions as of 04.01.2025							
Department Name	PCN#	Position Description	Budgeted Amount	% GF Funded	How long has the position been vacant?	Filled	Notes
Police	3918	COMMUNITY SERVICE OFFC SUP - PD -SUP SRV - RECORDS/SUBPOENA	\$ 134,038	1.00	7 to 12 months	No	Budgeted
Police	3917	COMMUNITY SERVICE OFFICER - PD - INVES DETECT/CRIME ANLYST	\$ 134,038	1.00	7 to 12 months	No	Exception Approved
Police	3912	COMMUNITY SERVICE OFFICER- PD -INVES DETECT/CRIME ANLYST	\$ 134,038	1.00	7 to 12 months	No	Exception Approved
Police	3915	COMMUNITY SERVICE OFFICER- PD -INVES DETECT/CRIME ANLYST	\$ 134,038	1.00	7 to 12 months	No	On pause, Budgeted
Police	3916	COMMUNITY SERVICE OFFICER- PD -INVES DETECT/CRIME ANLYST	\$ 134,038	1.00	7 to 12 months	No	On pause, Budgeted
Police	3318	CRIME ANALYST - PD -INVES DETECT/CRIME ANLYST	\$ 173,950	1.00	4 to 6 months	No	Budgeted
Police	1567	OFFICE SPECIALIST III M&C PD -SUP SRV - RECORDS/SUBPOENA	\$ 145,740	1.00	1 to 3 months	No	Begin FY vacant, to be swapped with an Office Speacialist II
Police	380	OFFICE SPECIALIST III PD -PRO STAND - PERSON & TRAIN	\$ 165,609	1.00	1 to 3 months	No	Budgeted
Police	3167	POLICE OFFICER - PD - OPERATIONS - PATROL	\$ 286,877	1.00	1+ years	No	Budgeted
Police	956	POLICE OFFICER - PD - INVES DETECT/CRIME ANLYST	\$ 278,679	1.00	1+ years	No	Budgeted
Police	302	POLICE OFFICER - PD - OPERATIONS - PATROL	\$ 278,679	1.00	1+ years	Yes	Exception Approved
Police	335	POLICE OFFICER - PD - OPERATIONS - PATROL	\$ 278,679	1.00	1+ years	Yes	Exception Approved
Police	467	POLICE OFFICER - PD - OPERATIONS - PATROL	\$ 278,518	1.00	1+ years	Yes	Exception Approved
Police	474	POLICE OFFICER - PD - OPERATIONS - PATROL	\$ 278,679	1.00	1+ years	No	Hold Vacant
Police	579	POLICE OFFICER - PD - OPERATIONS - PATROL	\$ 278,679	1.00	1+ years	No	Hold Vacant
Police	650	POLICE OFFICER - PD - OPERATIONS - PATROL	\$ 278,679	1.00	1+ years	No	Hold Vacant
Police	679	POLICE OFFICER - PD - OPERATIONS - PATROL	\$ 278,679	1.00	1+ years	No	Hold Vacant
Police	750	POLICE OFFICER - PD - OPERATIONS - PATROL	\$ 278,679	1.00	1+ years	Yes	Filled
Police	1110	POLICE OFFICER - PD - OPERATIONS - PATROL	\$ 278,679	1.00	1+ years	No	Hold Vacant
Police	1166	POLICE OFFICER - PD - OPERATIONS - PATROL	\$ 278,679	1.00	1+ years	No	Hold Vacant
Police	1177	POLICE OFFICER - PD - OPERATIONS - PATROL	\$ 278,679	1.00	1+ years	No	Hold Vacant
Police	1450	POLICE OFFICER - PD - OPERATIONS - PATROL	\$ 278,679	1.00	1+ years	Yes	Filled
Police	1880	POLICE OFFICER - PD - OPERATIONS - PATROL	\$ 278,679	1.00	1+ years	Yes	Filled
Police	2499	POLICE OFFICER - PD - OPERATIONS - PATROL	\$ 278,679	1.00	1+ years	No	Budgeted
Police	4367	POLICE OFFICER - PD - OPERATIONS - PATROL	\$ 278,679	1.00	1+ years	No	Budgeted
Police	4368	POLICE OFFICER - PD - OPERATIONS - PATROL	\$ 278,679	1.00	1+ years	No	Budgeted
Police	447	POLICE OFFICER - PD -INVES DETECT/CRIME ANLYST	\$ 278,679	1.00	1+ years	No	Budgeted
Police	894	POLICE OFFICER - PD -INVES DETECT/CRIME ANLYST	\$ 278,679	1.00	1+ years	Yes	Filled
Police	1081	POLICE OFFICER - PD -OPERATIONS - PATROL	\$ 278,679	1.00	1+ years	No	Budgeted
Police	932	POLICE OFFICER 12.5 - PD - OPERATION - PATROL	\$ 278,679	1.00	1+ years	No	Budgeted
Police	2814	POLICE OFFICER 12.5 - PD - OPERATIONS - PATROL	\$ 278,679	1.00	1+ years	No	Budgeted
Police	2827	POLICE OFFICER 12.5 - PD - OPERATIONS - PATROL	\$ 278,679	1.00	1+ years	No	Budgeted
Police	2828	POLICE OFFICER 12.5 - PD - OPERATIONS - PATROL	\$ 278,679	1.00	1+ years	No	Budgeted
Police	2831	POLICE OFFICER 12.5 - PD - OPERATIONS - PATROL	\$ 278,679	1.00	1+ years	No	Budgeted
Police	2959	POLICE OFFICER 12.5 - PD - OPERATIONS - PATROL	\$ 294,665	1.00	1+ years	No	Budgeted
Police	2963	POLICE OFFICER 12.5 - PD - OPERATIONS - PATROL	\$ 290,181	1.00	1+ years	No	Budgeted
Police	498	POLICE OFFICER- PD - OPERATIONS - PATROL	\$ 278,679	1.00	1+ years	No	Budgeted
Police	570	POLICE OFFICER- PD - OPERATIONS - PATROL	\$ 278,679	1.00	1+ years	No	Budgeted
Police	590	POLICE OFFICER- PD - OPERATIONS - PATROL	\$ 278,679	1.00	1+ years	No	Budgeted
Police	892	POLICE OFFICER- PD - OPERATIONS - PATROL	\$ 278,679	1.00	1+ years	No	Budgeted
Police	774	POLICE OFFICER- PD -INVES DETECT/CRIME ANLYST	\$ 278,679	1.00	1+ years	No	Budgeted
Police	4452	POLICE SERGEANT - PD - OPERATIONS - PATROL	\$ 376,054	1.00	7 to 12 months	Yes	Remove, Provisional, should not be budgeted in FY 26
Police	473	POLICE SERGEANT- PD - OPERATIONS - PATROL	\$ 376,054	1.00	1+ years	Yes	Budgeted

General Fund Vacant Positions as of 04.01.2025							
Department Name	PCN#	Position Description	Budgeted Amount	% GF Funded	How long has the position been vacant?	Filled	Notes
Police	271	PUBLIC SAFETY DISPATCHER I/II - PD - SUP SRV - COMMUNICAT CNTR	\$ 122,891	1.00	7 to 12 months	No	Hold Vacant
Police	344	PUBLIC SAFETY DISPATCHER I/II - PD - SUP SRV - COMMUNICAT CNTR	\$ 122,891	1.00	7 to 12 months	No	Hold Vacant
Police	346	PUBLIC SAFETY DISPATCHER I/II - PD - SUP SRV - COMMUNICAT CNTR	\$ 122,891	1.00	1+ years	No	Hold Vacant
Police	581	PUBLIC SAFETY DISPATCHER I/II - PD - SUP SRV - COMMUNICAT CNTR	\$ 122,891	1.00	7 to 12 months	No	Exception approved
Police	924	PUBLIC SAFETY DISPATCHER I/II - PD - SUP SRV - COMMUNICAT CNTR	\$ 122,891	1.00	7 to 12 months	No	Exception approved
Police	1059	PUBLIC SAFETY DISPATCHER I/II - PD - SUP SRV - COMMUNICAT CNTR	\$ 122,891	1.00	7 to 12 months	No	Exception approved
Police	3316	PUBLIC SAFETY DISPATCHER I/II - PD - SUP SRV - COMMUNICAT CNTR	\$ 122,891	1.00	7 to 12 months	No	Hold Vacant
Police	3375	PUBLIC SAFETY DISPATCHER I/II - PD - SUP SRV - COMMUNICAT CNTR	\$ 122,891	1.00	7 to 12 months	No	Budgeted
Police	3905	PUBLIC SAFETY DISPATCHER I/II - PD - SUP SRV - COMMUNICAT CNTR	\$ 122,891	1.00	7 to 12 months	No	Budgeted
Police	3906	PUBLIC SAFETY DISPATCHER I/II - PD - SUP SRV - COMMUNICAT CNTR	\$ 122,891	1.00	7 to 12 months	No	Budgeted
Police	3907	PUBLIC SAFETY DISPATCHER I/II - PD - SUP SRV - COMMUNICAT CNTR	\$ 122,891	1.00	7 to 12 months	No	Budgeted
Police	3908	PUBLIC SAFETY DISPATCHER I/II - PD - SUP SRV - COMMUNICAT CNTR	\$ 122,891	1.00	7 to 12 months	No	Budgeted
Police	3909	PUBLIC SAFETY DISPATCHER I/II - PD - SUP SRV - COMMUNICAT CNTR	\$ 122,891	1.00	7 to 12 months	No	Budgeted
Police	4453	PUBLIC SAFETY DISPATCHER I/II - PD - SUP SRV - COMMUNICAT CNTR	\$ 130,231	1.00	1 to 3 months	No	Budgeted
Police	341	PUBLIC SAFETY DISPATCHER I/II - PD - SUP SRV - COMMUNICAT CNTR	\$ 157,316	1.00	1 to 3 months	No	Budgeted
Police	275	PUBLIC SAFETY DISPATCHER II- PD - SUP SRV - COMMUNICAT CNTR	\$ 162,936	1.00	7 to 12 months	No	Budgeted
Police	767	PUBLIC SAFETY DISPATCHER II- PD - SUP SRV - COMMUNICAT CNTR	\$ 162,936	1.00	7 to 12 months	No	Budgeted
Police	1148	PUBLIC SAFETY DISPATCHER II- PD - SUP SRV - COMMUNICAT CNTR	\$ 162,936	1.00	7 to 12 months	No	Budgeted
Police	3317	PUBLIC SAFETY DISPATCHER II- PD - SUP SRV - COMMUNICAT CNTR	\$ 162,936	1.00	7 to 12 months	No	Budgeted
Police	3911	SUPERVISING PUBLIC SFTY DISP - PD - SUP SRV - COMMUNICAT CNTR	\$ 184,028	1.00	7 to 12 months	No	Hold vacant
Police Total			\$ 14,000,921	64.00			
PRW	2527	AQUATICS FACILITIES SUP - PRW - REC - W CAMPUS SWIM CTR	\$ 112,970	1.00	1-2 years	No	Hold vacant
PRW Total			\$ 112,970	1.00			
Public Works	3880	(PB) ASSOC PLANNER - PW - TRANSPORTATION - PLANNING	\$ 168,678	1.00	4 to 6 months	No	Hold vacant
Public Works	162	ACCOUNTING OFFICE SPEC III MC - PW DIRECTOR - CUSTOMER SVCS	\$ 6,070	0.04	1 to 3 months	Yes	Filled
Public Works	3879	ASST CIVIL ENG (REG) - PW - GEN ENG - FACILITIES/BLDGS	\$ 196,569	1.00	1-2 years	No	Reallocate to Measure FF
Public Works	3881	PUBLIC WORKS SUPERVISOR - PW - STREETS - STREET MAINT	\$ 167,726	1.00	1-2 years	No	Hold vacant
Public Works	569	SUPERVISING TRANSPORTATION ENGINEER - PW - TRANS - TRAFFIC ENG	\$ 193,730	0.80	1-2 years	No	Exemption, proposed to be filled
Public Works Total			\$ 732,773	3.84			
Grand Total			\$ 26,307,450	134.82			

**General Fund: List of Vacant Positions and Impacts
Fiscal Year 25-26**

Position	Impact
<i>City Attorney Office</i>	
Senior Legal Secretary	Impacts capacity to respond to and prosecute lawsuits.
<i>City Clerk</i>	
Office Specialist III	No significant impacts to operations.
<i>City Manager</i>	
Admin. Assistant	Position assigned to DEI office. Impacts ability to implement projects in a timely manner.
Deputy City Manager	Impacts span of control for City Manager and Deputy City Manager who will both oversee additional departments and divisions. Maintaining the vacant position limits the resource available to provide executive support.
Digital Comms. Coordinator	Impacts response times to communication requests.
Program Manager I	This position was a temporary reclass of the vacant Sr. Management Analyst in the Division. This position was created to design and implement an operational and sustainability plan for the African American Holistic Resource Center prior to its anticipated FY 2027 opening. Staff within the City Manager’s Office will be reassigned to this body of work.
<i>Finance</i>	
Accounting Office Specialist II	Clerical billing processes will be delayed. Additional work for other staff. Longer timeline to respond to customer service and 311 caller issues.
Accounting Office Specialist II	Treasury clerical processes delayed. Cash receipt balancing and payment processing will take longer and monthly financial close will be delayed
Customer Service Specialist II	Fewer Customer Service staff will lead to longer wait times at the Finance Counter for public making payments, applying for business licenses, contesting citations, etc. Without these positions, there is no margin to continue normal counter operations in case of absences.
Customer Service Specialist II	Fewer Customer Service staff will lead to longer wait times at the Finance Counter for public making payments, applying for business licenses, contesting citations, etc. Without these positions, there is no margin to continue normal counter operations in case of absences.
<i>Fire</i>	
Firefighters (5)	If the department can maintain full staffing through FY26 and move some long-term employees who are off work on injury towards industrial disability retirement/medical

Position	Impact
	separation, holding these relief positions vacant will not have any substantial impact on service delivery.
Paramedics (3)	Keeping three of 32 FTE vacant will not have any detrimental impact on operations. The Department will need to recruit and hire for vacancies that rise above these three vacant positions to ensure that we don't overburden the existing workforce with forced overtime which has historically been followed by fatigue and injury.
<i>Health, Housing, and Human Services</i>	
Mobile Crisis – Clinician and Supervisor	Positions have been vacant for more than three years and are hard to fill. The vacancies result in reduced ability to dispatch mobile crisis services, typically a joint response with law enforcement. Hours of availability will not be able to be extended. Currently the hours of operation are limited to 11:30a-10p, Sun, Mon, Wed, Thu, Fri.
Community Dev. Project Coordinator	Will reduce the Department's ability to respond to complaints regarding labor standards complaints including the new Hard Hats ordinance.
Health Services Program Specialist	Limited number of staff for onsite for program coverage on any given day (i.e. if someone calls in sick or on vacation).
Office Specialist II	This position is assigned to the Meals on Wheels program. Minimal disruption as other staff currently covering duties.
Senior Health Services Program Specialist	Public Health's ability to respond to a variety of public health issues may take longer.
Social Services Specialist	Reduced availability of staff to assist seniors that would decrease the utilization of aging services by the community.
<i>Human Resource</i>	
Office Specialist II	Clerical work will be re-prioritized, delayed, or reallocated; only as necessary, on a project-by-project basis, interns may be used to perform lower-level clerical work.
<i>Parks, Recreation and Waterfront</i>	
Aquatics Facility Supervisor	Responsible for maintenance of our pools (West Campus, King and Echo Lake). The department will need to continue to use outside contractors to ensure that City pools comply with county and state mandates. The department has been contracting with 2 different firms to accomplish this work as this position has been vacant for a couple of years.
<i>Planning</i>	
Community Services Spec. I	This will impact the Department's ability to implement the recently adopted (April 15, 2025) Building Emissions Saving Ordinance (BESO) time of sale upgrade requirements, which are scheduled to take effect in January 2026

Position	Impact
Office Specialist II	No intended impacts. This is a planned vacancy; the Department agreed to hold this position vacant through Fiscal Year 2026, to offset increased General Fund allocation to extend a temporary Senior Planner position to April 2026.
<i>Police</i>	
Police Officer (7)	Given the number of police officer vacancies, holding these positions vacant is manageable as the department can continue to hire and will have the resources needed for overtime to ensure continuity in operations.
Public Safety Dispatchers (4)	Given the number of dispatcher vacancies, holding these positions vacant is manageable as the department can continue to hire and will have the resources needed for overtime to ensure continuity in operations.
Public Safety Dispatcher Supervisor	Holding this position vacant is manageable as the department can continue to hire and will have the resources needed for overtime to ensure continuity in operations.
Office Specialist III	Holding an Office Specialist position vacant would have the following impacts: backlogs in court-related processes, delayed PRA responses, and reduced capacity to maintain essential technology systems. This impacts the Police Department’s efficiency, accountability, and its ability to meet both legal obligations and community expectations. To be swapped with an Office Specialist II to minimize impacts.
<i>Public Works</i>	
Associate Planner - Transportation	Reduces ability to achieve vision zero program implementation. Other planners can pick up capacity. Project priorities will need to be evaluated to account for reduced capacity.
Supervisor – Streets Maintenance	Minimal impact. This vacancy will require work to be performed though out of class rotations to ensure adequate supervision for crews.



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Summary of Unfunded Council Referrals to the Budget Process
For the Period July 1, 2024 to June 30, 2025

Item#	Title	Council Date	2025	2026	Funding Details	Referred By
1	Refer to the City Manager to fund and develop a Curb Management Plan.	7/30/2024	\$ 250,000		Refer to the City Manager for budgetary projecting; a long-term funding plan is necessary. (tentatively estimated at \$100,000-\$250,000).	Cecilia Lunaparra, Chair, ECC
2	Independent Consultant to Conduct Analysis of Health Food Inspection Program	9/24/2024	\$ 100,000		\$100,000 for the City Manager to engage an independent consultant to conduct an analysis of the current structure of the Environmental Health Food Inspection Program and provide recommendations for alternative models, staffing levels, and increased use of technology to improve customer service.	Kesarwani, Humbert, Tregub, and Wengraf
3	Civic Arts Commission Fund Request - Mitigation Fee Nexus Study, Public Art on Private Development Requirement	9/24/2024	\$ 125,000		Allocate \$125,000 in the FY24/25 Budget to fund a nexus study on the existing Public Art on Private Development Requirement (Berkeley Municipal Code 23.316), which was established in 2017.	Civic Arts Commission
4	Funding for Speed Bump at Russell and Martin Luther King Jr. Way	10/29/2024	\$ 7,000		Speed bump installation on Russell Street at King Street or other costs associated with the traffic calming method that City Staff sees fit.	Bartlett
5	Afterschool Program Expansion	11/12/2024	\$ 300,000		Fund afterschool program expansion.	Taplin
6	F and G Dock Deck Replacement	11/12/2024	\$ 500,000		funding of F and G dock deck replacement.	Taplin
7	Traffic Study and Pedestrian Safety Operations at the Pedestrian Crossing on Shattuck Avenue and Delaware Street	11/12/2024	\$ 125,000		One-time funding for a traffic study and pedestrian safety operations at the pedestrian crossing on Shattuck Avenue at Delaware Street.	Tregub and Hahn
8	Curb Marking and Preventative Infrastructure Upgrades at High-Risk Intersections in Accordance with the New California Daylighting Law, AB 413	1/21/2025		\$ 1,250,000	Refer \$1,250,000 to the June budget process (FY26 Mid-Biennial Update) to provide the City of Berkeley Public Works Department with necessary funds for curb marking and preventative infrastructure upgrades in accordance with the new California Daylighting Law, AB 413.	Lunaparra and Humbert



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Summary of Unfunded Council Referrals to the Budget Process
For the Period July 1, 2024 to June 30, 2025

Item#	Title	Council Date	2025	2026	Funding Details	Referred By
9	Ohlone Greenway Safety Improvements	4/15/2025		\$ 150,000	Fund the outstanding balance for consultant costs to finalize the design concepts to complete the Ohlone Greenway Safety Improvements Project	Kesarwani
10	Thousand Oaks Park Playground Update	4/15/2025		\$ 80,000	Completion of a new airplane themed play structure at Thousand Oaks Park, located at 1700-1780 Tacoma Avenue	O'Keefe and Humbert
11	Afterschool Program Expansion	4/29/2025		\$ 300,000	Afterschool program expansion	Taplin, O'Keefe, Bartlett, and Tregub
12	F and G Dock Deck Replacement	4/29/2025		\$ 250,000	F and G dock replacement funding to the Fiscal Year 26 MidBiennial Budget Update	Taplin and Humbert
13	Deportation Defense Legal and Education Funds	4/29/2025		\$ 200,000	Refer to the Fiscal Year 2026/2027 Budget Process an allocation of \$200,000 for Deportation Defense Legal and Education Funds.	Blackaby, Lunaparra, Tregub, and Mayor Ishii
14	Process to Partially Cover Street Spirit's Operational and Programming Costs	4/29/2025		\$ 25,000	Subsidize the cost of running Street Spirit's drop-in center and vendor coordination program	Lunaparra, Tregub, O'Keefe, and Mayor Ishii
15	Defer \$150,000 referaal for Round Park from Nov. 2024 FY 2025 AAO#`1	4/29/2025		\$ -	<i>Place a hold on or otherwise defer the FY2025 \$150,000 budget referral from the November 2024 AAO#1 budget, which set aside funding for initiating a process to potentially convert the median informally known as "Round Park" (and possibly other nearby medians) to an official City park in District 8.</i>	<i>Humbert Funded in FY25 AAO1 (PRW Journal # 06/370 - \$150K)</i>
16	Oxford for All	6/3/2025		\$ 400,000	Provide the City of Berkeley Public Works Department with necessary funds to support design, engineering, and construction costs for the project (quick-build class IV bicycle facility)	Tregub and Lunaparra



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Summary of Unfunded Council Referrals to the Budget Process
For the Period July 1, 2024 to June 30, 2025

Item#	Title	Council Date	2025	2026	Funding Details	Referred By
17	Civic Arts Commission Funding Request - Additional \$41,685 from the General Fund in FY26 for Festival Grants	6/17/2025		\$ 41,685	Increase budget allocation of \$41,685 of general fund monies to bring the total allocation for Festival Grants to \$200,000 in FY26.	Cameron Woo, Chairperson, Civic Arts Commission
18	Continuation of Poet Laureate Program in FY26 & FY27	6/17/2025		\$ 25,000	FY26: \$20,000 for Selection Process (including staff time) and Poet Laureate Stipend in Year One FY27: \$5,000 for Poet Laureate Stipend in Year Two	Cameron Woo, Chairperson, Civic Arts Commission
Total			\$ 1,407,000	\$ 2,721,685		
Grand Total			\$ 4,128,685			

FY 2025 - FY 2026 Capital Program by Funding Source - General Fund

Item #	Program Category	Project Title	New or Continuing	FY 2025 Adopted	FY 2026 Adopted	FY 2025 Actuals to Date	Project Status	Impact if Deferred or Reallocated
1	Camps	Cazadero Riverbed Erosion	New	\$ 300,000	\$ -	\$ 100,000	In-Progress	Unable to complete project phase II resulting in risk to leach field and dining hall if there are severe winter storms.
2	Camps	Echo Lake Tree Removal	Continuing	\$ 200,000	\$ -	\$ 200,000	In-Progress	
3	Facilities	1947 Center Elevators Assessment	New	\$ 55,000	\$ -	\$ -	Not Started	Seismic assessment. Assessment to estimate the cost to replace the elevators at 1947 Center St. The elevators are old and regularly fail and are inoperable. Replacing the elevators will lower overall maintenance cost and increased reliability.
4	Facilities	Civic Center Plan Phase III	New	\$ 300,000	\$ -	\$ -	In-Progress	The overall plan is underway (multiple phases for the plan itself). Deferring or reallocating these funds would delay and increase overall cost. This is a Tier 1A project (a Council budget referral from Councilmember Wengraf).
5	Facilities	Corp Yard Roll Up Door	New	\$ 110,000	\$ -	\$ -	Not Started	The roll up doors at the equipment maintenance building need to be replaced. The roll up doors are outdated. New automatic doors will help staff productivity and safety.
6	Facilities	Evidence Storage	New	\$ 35,000	\$ 35,000	\$ -	Not Started	The facility is old and needs to be upgraded. This project includes finding a suitable location and providing necessary upgrades.
7	Facilities	Facilities Deferred Maintenance Investment	New	\$ 500,000	\$ 500,000	\$ 500,000	Completed	All FY25 funding is completely spent. Delaying or reallocating FY26 funding will result in increased overall maintenance costs. An investment in regular facilities maintenance will address potential issues before they occur, and result in lower overall cost and increased reliability. Funding from this annual amount is distributed out on a project-by-project basis.
8	Facilities	Generators	New	\$ 120,000	\$ 110,000	\$ -	Not Started	Estimates for generator's are low, cost should be much more now and in future years. City buildings require backup generators for emergencies.

FY 2025 - FY 2026 Capital Program by Funding Source - General Fund

Item #	Program Category	Project Title	New or Continuing	FY 2025 Adopted	FY 2026 Adopted	FY 2025 Actuals to Date	Project Status	Impact if Deferred or Reallocated
9	Facilities	Miscellaneous Deferred/Emergency	New	\$ 250,000	\$ 200,000	\$ 172,693	In-Progress	An investment in regular facilities maintenance will address potential issues before they occur, and result in lower overall cost and increased reliability. If this is the annual amount of funding (\$300,000) for repairs and maintenance, we only have \$127,307 remaining for FY25.
10	Facilities	NBSC UPGRADES - KITCHEN & DATA	Continuing	\$ 160,000	\$ 15,000	\$156,962	In-Progress	Construction ongoing. The North Berkeley Senior Center is an immediate occupancy shelter. Gas has been removed from the building and now appliances need to be replaced.
11	Facilities	New HVAC at Animal Shelter	New	\$ 118,000	\$ -	\$21,626.43	In-Progress	Budget is for Planning Phase only. Overall project will increase in cost moving forward. This is a Tier 1A project (a budget request from the Neighborhood Services division of the City Manager's Office and project lead is Public Works).
12	Facilities	PSB Upgrades	New	\$ 515,000	\$ -	\$ -	Not Started	Upgrades to the HVAC, electrical, and gym roof. Building is outdated and requires routine upgrades.
13	Facilities	Ratcliff Bldg G Flooring Improvement	New	\$ 100,000	\$ -	\$ -	Not Started	Leaking issues. Project has to be completed. Flooring is damaged and hazardous when moving equipment around.
14	Facilities	Roof Replacement	New	\$ 200,000	\$ 200,000	\$ -	Not Started	Replacement of Fire station #4. Projected start date in September 2025. Regular roof assessments will result in lower overall cost and increased reliability. A pro-active roof improvement approach will allow to address potential issues before they occur.
15	Information Technology	Phish-Resistant Hardware Authentication Devices (MFA)	New	\$ 55,000	\$ -	\$5,022	In-Progress	If not completed, users will not be able to authenticate at login time without some form of generating a key. This CIP project is to accommodate those who did not wish to use software that could be installed on their phone in which case a hardware security device would be provided. Unused funding for this fiscal year will be encumbered into the next FY's to provide future adequate funding to procure devices as needed.

FY 2025 - FY 2026 Capital Program by Funding Source - General Fund

Item #	Program Category	Project Title	New or Continuing	FY 2025 Adopted	FY 2026 Adopted	FY 2025 Actuals to Date	Project Status	Impact if Deferred or Reallocated
16	Other Infrastructure	ADA Transition Plan Implementation	New	\$ -	\$ 250,000	\$ -	In-Progress	The City would not have the resources needed to remediate for WCAG compliance documents posted to the website, and the ability to comply with PROWAG and to provide reasonable modifications as required under the ADA would be threatened.
17	Other Infrastructure	Additional Security Cameras at Intersections	New	\$ 150,000	\$ -	\$ -	Not Started	Budget referral from Councilmember Humbert and Councilmember Bartlett.
18	Parks	Citywide Tree Planting	Continuing	\$ 75,000	\$ 75,000	\$ 75,000	Completed	
19	Parks	James Kenney Restroom ADA	New	\$ 160,000	\$ -	\$ 38,900	In-Progress	Unable to do construction, project is bidding.
20	Parks	MLK Jr. Youth Services Center Seismic Retrofit and Renovation	Continuing	\$ 110,000	\$ -	\$ 110,000	In-Progress	Unable to complete construction.
21	Parks	Tom Bates Regional Sports Complex Restroom & Community Space	Continuing	\$ -	\$ 310,000		In-Progress	Will not have enough project funds for construction.
22	Parks	Tom Bates Turf Replacement – Annual JPA Contribution	Continuing	\$ 15,000	\$ 15,000	\$ 15,000	Completed	
23	Sidewalks	FY25 Sidewalk Repair Program	New	\$ 185,000	\$ -	\$ -	Not Started	Will combine FY25 & FY26 funding into one project, to begin design this Summer/Fall 2025. Deferring or reallocating these funds would delay and increase overall cost.
24	Sidewalks	FY26 Sidewalk Repair Program	New	\$ -	\$ 185,000	\$ -	Not Started	Will combine FY25 & FY26 funding into one project, to begin design this Summer/Fall 2025. Deferring or reallocating these funds would delay and increase overall cost.
25	Streets	Street Rehab PCI Improvements	New	\$ 8,487,200	\$ 8,741,816	\$360,068	In-Progress	Will award contract on 04.29.2025. Project is for Improvement of pavement conditions citywide to help get the PCI to 75, the midrange of “good” condition recommended in the City’s Street Maintenance and Rehabilitation Policy. Deferring or reallocating these funds would delay and increase overall cost.
26	Streets	Street Rehabilitation FY 2025	Continuing	\$ 1,925,000	\$ -	\$75,166	In-Progress	Will award contract on 04.29.2025. Project is for Improvement of pavement conditions citywide to help get the PCI to 75, the midrange of “good” condition recommended in the City’s Street Maintenance and Rehabilitation Policy. Deferring or reallocating these funds would delay and increase overall cost.

FY 2025 - FY 2026 Capital Program by Funding Source - General Fund

Item #	Program Category	Project Title	New or Continuing	FY 2025 Adopted	FY 2026 Adopted	FY 2025 Actuals to Date	Project Status	Impact if Deferred or Reallocated
27	Streets	Street Rehabilitation FY 2026	Continuing	\$ 350,000	\$ 1,575,000	\$ -	In-Progress	Design to kick off soon. This funding will be used in FY25 to start consultant work for the FY26 project. Project is for Improvement of pavement conditions citywide to help get the PCI to 75, the midrange of "good" condition recommended in the City's Street Maintenance and Rehabilitation Policy. Deferring or reallocating these funds would delay and increase overall cost.
28	Streets	Street Rehabilitation FY 2027 - FY 2029	New	\$ -	\$ 350,000	\$ -	Not Started	This funding will be used in FY26 to start consultant work for the FY27 project. If reallocated or delayed would lead to a later start date of construction for the FY27 Rehab project. Project is for Improvement of pavement conditions citywide to help get the PCI to 75, the midrange of "good" condition recommended in the City's Street Maintenance and Rehabilitation Policy. Deferring or reallocating these funds would delay and increase overall cost.
29	Transportation	Addison Bicycle Blvd Ph2	New	\$ 85,000	\$ -	\$ -	In-Progress	Council Budget referral. Significant negative impacts. The funding is currently being used for ongoing safety enhancements/work and maintenance. Deferral would halt progress and potentially lead to safety issues along the corridor.
30	Transportation	Pedestrian Safety on Euclid Ave between Eunice St and Bay View Place	New	\$ 70,000	\$ -	\$ -	In-Progress	Budget referral from Vice Mayor Wengraf, Councilmember Taplin and Councilmember Hahn. Next step IS to evaluate the feasibility of a trash enclosure in the area. A feasibility study indicated a much higher project cost (~\$1.3 million).
31	Transportation	Vision Zero Rapid Response on Bicycle Boulevards	New	\$ 200,000	\$ -	\$ -	Not Started	Budget referral from Councilmember Taplin and Councilmember Humbert. Negative impact on our ability to implement quick-build safety improvements on bicycle boulevards, including the identified need at Heinz Avenue and 7th Street. This funding is crucial for immediate mitigation measures/Quick Builds.
	Waterfront	South Cove Seawall Replacement (design)	New	\$ 250,000	\$ -	\$ 209,000	In-Progress	
TOTAL				\$ 15,080,200	\$ 12,561,816			

Marina Fund Update

Budget & Finance Policy Committee

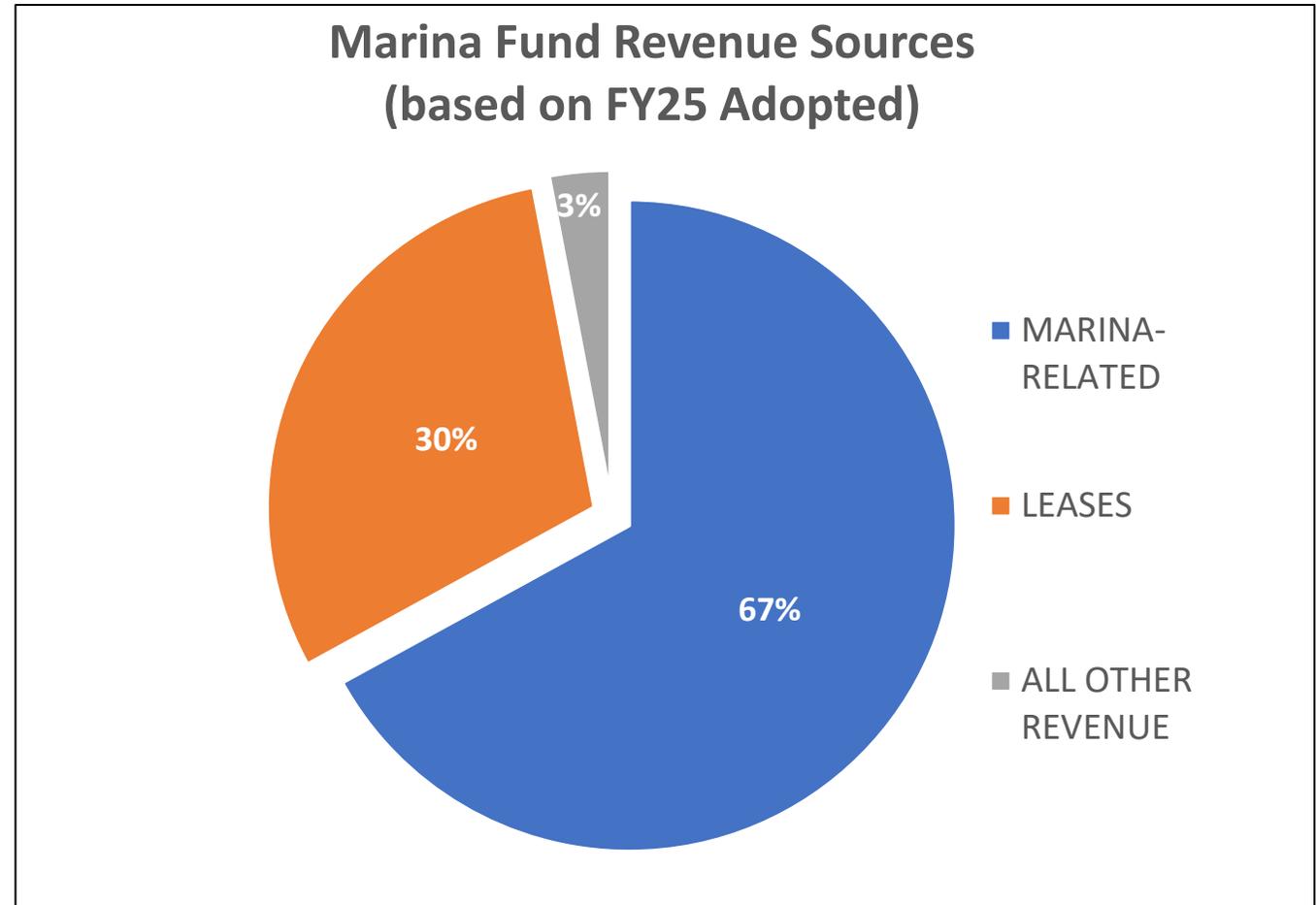
May 15, 2025

Marina Fund Financial Context

- Structural deficit for last 15+ years, driven by:
 - Post-2000 and 2008 economic downturns:
 - Users pull boats out of the water.
 - Restaurant and hotel revenue decrease.
 - Safety issues 2016-2019 led to berther exodus / Hs Lordships closing
 - Aging infrastructure + no capital reserves => \$131M in unfunded needs
 - COVID-19: major hit to hotel/restaurant revenue
- 2021-2025: General Fund infusions needed to keep Marina Fund solvent.
 - FY22: \$1.4M in ARPA funds
 - FY23: \$1.15M in ARPA funds
 - FY24: \$800k in cost shifts to other funds / \$5.5M from Workers Comp fund for capital projects
 - FY25: \$850k in reduced indirect costs, capital projects funded by GF, Workers Comp holiday

Marina Fund Financial Context

- Enterprise fund:
 - Revenues expected to cover expenditures
- Expenditures:
 - \$8.431M (FY25 Adopted)
- Revenue:
 - \$7.162M (FY25 Adopted)
 - Berth rentals (boaters)
 - Leases (hotel/restaurants/etc.)
 - Other revenue



Waterfront Leases (FY25)

Tenant	Length of Term	Expires (with option)	Estimated Annual Revenue	% of Lease Revenue	% of Total Revenue
Doubletree	60 years	2080	\$ 1,109,428	52%	16%
Skates	10 yrs + 10-yr option	2031-2041	\$ 459,300	22%	7%
125-127: BPD	5 years	2027	\$ 187,572	9%	3%
Hana Japan	5 yrs + 5-yr option	2025-2030	\$ 94,416	4%	1%
Marine Center	51 years	2029	\$ 59,400	3%	1%
Bait Shop	5 yrs + 2-yr option	2025-2027	\$ 42,801	2%	1%
125-127: Patpatia	In holdover		\$ 40,944	2%	1%
125-127: Third Plateau	In holdover		\$ 40,866	2%	1%
125-127: ICRI	In holdover		\$ 39,767	2%	1%
Berkeley Yacht Club	30 yrs + 10-yr option	2046-2056	\$ 19,696	1%	0%
Cal Adventure	In holdover		\$ 19,428	1%	0%
Cal Sailing Club	In holdover		\$ 12,764	1%	0%
			\$ 2,126,383		30%

Doubletree Hotel

Current Conditions

- Hotel has been losing money since October 2024.
- Hotel loan went into special servicing to renegotiate terms with their lender.
- Payment arrears through June 2025:
 - \$187,615 (percentage rent, 2024)
 - \$492,684 (base rent of \$82k/mo, Jan-Jun 2025)
 - \$680,299 past due

Current Hotel Market Conditions

- SF / Bay Area hotel market: worst post-Covid recovery in the country.
- Years of negative national press deter visitors and convention center events.
- Corporate travel muted by low office utilization.
- Delayed return of international visitors.
- High operating costs as a union and high cost of living market.
- Tariffs, inflation, and interest rates compound the issue.

TOP 25 MARKETS	Twelve Months Ending 3/31/2025		Full Year 12/31/2019
	RevPAR	RevPAR % of 2019	RevPAR
Atlanta - GA USA	\$ 81.28	104.0%	\$ 78.17
Boston - MA USA	\$ 172.42	118.0%	\$ 146.17
Chicago - IL USA	\$ 110.97	111.5%	\$ 99.53
Dallas - TX USA	\$ 84.19	114.7%	\$ 73.42
Denver - CO USA	\$ 101.70	103.1%	\$ 98.67
Detroit - MI USA	\$ 73.29	106.1%	\$ 69.10
Houston - TX USA	\$ 78.81	124.1%	\$ 63.53
Las Vegas - NV USA	\$ 161.50	140.4%	\$ 115.00
Los Angeles - CA USA	\$ 141.28	103.8%	\$ 136.14
Miami - FL USA	\$ 165.83	120.4%	\$ 137.69
Minneapolis - MN USA	\$ 79.84	97.6%	\$ 81.82
Nashville - TN USA	\$ 116.98	107.8%	\$ 108.49
New Orleans - LA USA	\$ 113.34	111.6%	\$ 101.60
New York - NY USA	\$ 270.35	126.6%	\$ 213.51
Oahu Island - HI USA	\$ 226.47	112.3%	\$ 201.62
Orange County - CA USA	\$ 150.31	117.4%	\$ 128.05
Orlando - FL USA	\$ 140.17	110.9%	\$ 126.36
Philadelphia - PA USA	\$ 98.76	103.7%	\$ 95.22
Phoenix - AZ USA	\$ 117.94	126.8%	\$ 92.99
Saint Louis - MO USA	\$ 72.91	107.4%	\$ 67.90
San Diego - CA USA	\$ 158.19	124.7%	\$ 126.87
San Francisco/San Mateo - CA USA	\$ 142.08	70.0%	\$ 203.01
Seattle - WA USA	\$ 127.74	108.4%	\$ 117.87
Tampa Bay - FL USA	\$ 129.80	139.3%	\$ 93.19
Washington - DC USA	\$ 129.34	113.6%	\$ 113.87
TOTAL	\$ 132.79	113.8%	\$ 116.72

Current Hotel Market Conditions

Local Hotel Closures / Foreclosures

- June 2024 - Oxford Capital relinquished ownership of four San Francisco hotels, totaling 428 rooms, including SoMa House, Hotel Garrett, Hotel Fiona and Hotel Julian.
- Four Seasons Hotel San Francisco at Embarcadero – 155-room hotel, went into default, and owner began seeking buyers in May 2024.
- Kimpton Alton Fisherman’s Wharf – 248 key hotel, defaulted and returned to lender.
- Hilton San Francisco Financial District – 544 key hotel defaulted and returned to lender.
- Hyatt Regency Downtown SOMA – 686 key hotel defaulted and returned to lender.
- Hilton SF Union Square – 1,919 key hotel, went into default, now closed.
- Parc 55 Union Square - 1,024 key hotel, went into default, now closed.
- Dual Branded AC by Marriott (133 keys)/ Residence Inn by Marriott (143 keys) Hotel – Opened in 2022, was seized by lender due to default in April 2025.
- Hilton Oakland Airport Hotel – closed its doors August 2024.
- Marriott Oakland City Center – 500 key hotel went into default in Feb 2025.
- Courtyard Oakland Downtown – 162 key hotel was bought for \$10.6M in Oct 2024, a 76% decline from prior value.
- Hotel Frank – 153 room hotel on Geary street near Union Square, now shuttered.

Marina Fund Impacts

- Prior to Parks Tax increase, Marina Fund had a structural deficit of approx. \$1M.
- After Measure Y – Parks Tax increase of 2024:
 - MF was projected to operate in the black in FY26.
 - Cost shift \$1.5M in Waterfront parks/landscape costs from MF to Parks Tax.
- Recent lease revenue downturn has impacted financial forecast.
 - Doubletree stopped paying base rent in Jan 2025; they have not paid past-due 2024 percentage rent (projected \$700k, through June 2025).
- Possible FY26 revenue gap of \$1.3M

Marina Fund Impacts

Change in fund projections, after Parks Tax and lease revenue impacts

Description	FY26 Adopted (as of June 2024, before Parks Tax increase)	FY26 Revised (as of March 2024, after Parks Tax increase)*	FY26 Projected (as of May 2025, after anticipated loss of lease revenue**)
Starting Fund Balance	\$0	\$0	\$0
Revenue	\$7.6M	\$7.4M	\$6.1M
Expenditures	\$8.7M	\$7.4M	\$7.4M
Deficit/Surplus	(\$1.1M)	\$0	(\$1.3M)
Ending Fund Balance	(\$1.1M)	\$0	(\$1.3M)

*Includes \$1.5M in cost shifts to Parks Tax, after Nov 2024 passage of Measure Y. This cost shift covers the \$1.1M structural deficit, \$200k in increased costs in personnel and utilities, and \$200k of anticipated decreases in some boating-related revenue, not including decreases related to Doubletree and Hana Japan.

**Assumes no revenue from Doubletree Hotel and reduced revenue from Hana Japan through FY26.

Marina Fund FY25 Adjustments

- FY25 reductions taken within the last month to address \$700k revenue loss:
 - Exhausted remaining fund balance to cover operations
 - South Cove East Dock Repair now unfunded
 - Reduced security by 50%
 - Cut marketing and other non-critical expenses
 - Cut all hourly Marina staff
 - Adjusted career staff hours to cover additional nights/weekends
- More reductions may need to be taken before the end of FY25 to keep Marina Fund balance positive.

Marina Fund Potential FY26 Adjustments

- To address potential losses of approximately \$1.3M, the following is being discussed:
 - Further CIP project reductions
 - Reduction in maintenance
 - Security reductions
 - Cuts to all non-critical expenses
 - Workforce impacts (Full-time and part-time staff)
- Given that we may not know revenue performance until the end of 2025, staff plan to defer many expenditures until that time.

Fund	FY 2026 Proposed Update	FY 2026 Revised Proposed Update	Variance	Explanation for Change
General Fund	310,261,633	311,435,259	1,173,626	Budget Balancing measure 1.17M to be transfer to Marina Fund
General Fund- Payroll Deduction Trust	750,000	6,750,000	6,000,000	Budget Balancing measure 6M to be transfer to General Fund
Measure U1	5,735,534	8,235,534	2,500,000	Budget Balancing measure 2.5 to be transferred to General Fund
Affordable Housing Mitigation	757,356	1,918,719	1,161,363	Maudelle Miller Shirek Community development loan amendment (Reso TBD; pending Council approval on 6/24/2025). This is a recent request to add funds to the existing development loan. RCD needs the funds by September 2025. + Unallocated FY25 Small Sites Program funds (approved in FY25 budget). Available through an active NOFA. + Unallocated FY25 Small Sites Program funds (approved in FY25 budget). Available through an active NOFA.
Inclusionary Housing Program	352,211	438,731	86,520	2321 Tenth Street (Reso 71,087). Contract was not fully/correctly encumbered at time of amendment. Corrections pending.
Condo Conversion Program	41,573	534,833	493,260	Unallocated FY25 Small Sites Program funds (approved in FY25 budget). Available through an active NOFA. + 2321 Tenth Street (Reso 71,087). Contract was not fully/correctly encumbered at time of amendment. Corrections pending.
Community Development Block Grant (CDBG)	\$ 2,754,520.92	\$ 3,076,700.92	322,180	COB received FY26 HUD allocation information on 5/13/25. New award amounts reflected in the new proposed FY26 total. Resolution number 71,747-N.S.
PERS Savings	-	6,000,000	6,000,000	Budget Balancing measure 6M to be transfer to Payroll Deduction Trust
Operating Grant-State	3,844,695	7,723,545	3,878,850	St. Paul Terrace development loan (Resos 70,407 & 71,549). Estimated loan closing in September, pending tax credit award.

Fund	FY 2026 Proposed Update	FY 2026 Revised Proposed Update	Variance	Explanation for Change
HOME Investment Partnership American Rescue Plan (HOME-ARP)	2,459,896	2,524,030	64,134	Additional Capacity Building funds are being awarded to community agencies in FY26 who are receiving HOME-ARP funds in FY26. Language to be included in the FY26 budget resolution.
Emergency Solutions Grant (ESG)	235,186	452,137	216,951	COB received FY26 HUD allocation information on 5/13/25. New award amounts reflected in the new proposed FY26 total and earlier unused funds from previous FYs that will be added to the FY26 community agency contract with BACS. Resolution number 71,747-N.S.
C.F.P. Title X	(1,716)	-	1,716	Entry Error when adjusting personnel funding no longer needed per HHCS
Housing Mitigation	-	1,362,494	1,362,494	Unallocated FY25 Small Sites Program funds (approved in FY25 budget). Available through an active NOFA. + '2321 Tenth Street (Reso 71,087). Contract was not fully/correctly encumbered at time of amendment. Corrections pending.
Measure O - Affordable Housing	-	8,176,509	8,176,509	St. Paul Terrace development loan (Resos 70,407 & 71,549). Estimated loan closing in September, pending tax credit award.
Workers Compensation	11,601,193	11,788,212	187,019	Budget Balancing measure transfer to General Fund
IT Cost Allocation	18,731,443	24,594,807	5,863,364	Budget Balancing Measure transfer 6.1M to General Fund
			37,487,986	

Fund #	Fund	FY 2026 Proposed Update	FY 2026 Revised Proposed Update	Variance	Explanation for Change
11	General Fund (General Fund)	291,583,351	311,435,259	19,851,908	Budget Balancing measure transfers in from \$2.5M million from U1 (Small Sites) fund balance, \$5.1M Workers Compensation fund balance, \$6M Payroll Deduction 013(115) and \$6.1 IT fund balance
13	General Fund- Payroll Deduction Trust	273,854	6,273,854	6,000,000	Budget Balancing Measure transfer to General Fund
101	Library Tax	32,648,532	33,822,805	1,174,273	Proposed Budget Update assumed 2% increase in the Library Tax. The Library Tax can be increased by the greater of the Consumer Price Index (CPI) or the Personal Income Growth (PIG). The CPI increase is 1.30% while the PIG increase is 6.44% increase. Revised Proposed Update Revenue assumes the tax increase in the PIG since this is higher than the CPI.
107	Special Tax for Disabled (Measure E)	3,457,559	3,536,099	78,540	Proposed Budget Update assumed 2% increase in the Measure E Tax. The Measure E Tax can be increased by the greater of the Consumer Price Index (CPI) or the Personal Income Growth (PIG). The CPI increase is 1.30% while the PIG increase is 6.44% increase. Revised Proposed Update Revenue assumes the tax increase in the PIG since this is higher than the CPI.
116	Paramedic Assessment District	4,790,282	4,762,609	(27,673)	Proposed Budget Update assumed 2% CPI increase and actual increase was 1.30%
120	Affordable Housing Mitigation	537,022	1,937,022	1,400,000	Department entered a 700K to increase revenue in error. It should have been a credit of -700K to increase Revenue
138	Parks Tax	22,850,153	22,921,333	71,180	Revised FY 2026 revenue budget to reflect the updated Parks Tax Measure as outlined in the FY 2026 Tax Revenue Estimates
140	Measure GG - Fire Preparation Tax	6,108,187	6,372,071	263,884	Proposed Budget Update assumed 2% increase in the Measure GG Tax. The Measure GG Tax can be increased by the greater of the Consumer Price Index (CPI) or the Personal Income Growth (PIG). The CPI increase is 1.30% while the PIG increase is 6.44% increase. Revised Proposed Update Revenue assumes the tax increase in the PIG since this is higher than the CPI as recommended by the Disaster & Fire Safety Commission

Fund #	Fund	FY 2026 Proposed Update	FY 2026 Revised Proposed Update	Variance	Explanation for Change
164	Measure FF - Public Safety	10,511,501	10,969,060	457,559	Proposed Budget Update assumed 2% increase in the Measure FF Tax. The Measure FF Tax can be increased by the greater of the Consumer Price Index (CPI) or the Personal Income Growth (PIG). The CPI increase is 1.30% while the PIG increase is 6.44% increase. Revised Proposed Update Revenue assumes the tax increase in the PIG since this is higher than the CPI as recommended by the Disaster & Fire Safety Commission
166	Measure FF - Street Repair	23,499,586	22,500,000	(999,586)	Revised revenue budget for FY 2026 to establish new Measure FF: Sidewalk and Street Repairs Parcel Tax
608	Marina Fund	7,439,162	8,612,788	1,173,626	Budget Balancing Measure transfer from General Fund
Total				29,443,711	

**NOTICE OF PUBLIC HEARING
BERKELEY CITY COUNCIL**

**FY 2026 PROPOSED BUDGET UPDATE
PUBLIC HEARING #2**

The City Manager’s Office is proposing a public hearing for the Fiscal Year 2026 Proposed Budget Update, which is being presented to the City Council.

The hearing will be held on **Tuesday, June 24, 2025 at 6:00 p.m.** in the School District Board Room, 1231 Addison Street.

A copy of the agenda material for this hearing will be available on the City’s website at www.CityofBerkeley.info as of June 12, 2025. **Once posted, the agenda for this meeting will include a link for public participation using Zoom video technology, as well as any health and safety requirements for in-person attendance.**

For further information, please contact **Shana Amenaghawon** at (510) 981-7000.

Written comments should be mailed or delivered directly to the City Clerk, 2180 Milvia Street, Berkeley, CA 94704, or e-mailed 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 or in person to the City Clerk. 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 (510) 981-6900 or clerk@berkeleyca.gov for further information.

Posted: June 12, 2025

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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 June 12, 2025.

\_\_\_\_\_  
Mark Numainville, City Clerk





Office of the City Manager

ACTION CALENDAR  
June 24, 2025

To: Honorable Mayor and Members of the City Council  
 From: Paul Buddenhagen, City Manager  
 Submitted by: Shana Amenaghawon, Acting Budget Manager  
 Subject: FY 2026 Annual Appropriations Ordinance

RECOMMENDATION

Adopt first reading of an Ordinance adopting the FY 2026 Annual Appropriations Ordinance (AAO) in the amount of \$781,761,995 (gross appropriations) and \$670,920,315 (net appropriations).

FISCAL IMPACTS OF RECOMMENDATION

The FY 2026 Annual Appropriations Ordinance authorizes gross appropriations of \$781,761,995 and net appropriations of \$670,920,315. The General Fund Umbrella of Funds (Funds 011-099) totals \$316,747,167 and the balance of \$465,014,827 represents the other non-discretionary funds.

BACKGROUND

The City Charter states that at the time of budget adoption that the Council passes an annual appropriations ordinance, which shall be based upon the budget submitted by the City Manager and as amended by the City Council. The AAO establishes the expenditure limits by fund for FY 2026. Exhibit A provides a Fund-by-Fund summary of these limits for FY 2026.

The FY 2026 Annual Appropriations Ordinance is a Strategic Plan Priority, advancing our goal to provide an efficient and financially-healthy City government.

ENVIRONMENTAL SUSTAINABILITY AND CLIMATE IMPACTS

There are no identifiable environmental effects or opportunities associated with the act of adopting the budget/appropriations ordinance/amendments. Actions included in the budget will be developed and implemented in a manner that is consistent with the City's environmental sustainability goals and requirements.

RATIONALE FOR RECOMMENDATION

The recommendation allows the City to set the adopted funding limits for FY 2026.

CONTACT PERSON

Shana Amenaghawon, Acting Budget Manager, City Manager's Office, 981-7000

Michelle Rosete, Senior Management Analyst, City Manager's Office, 981-7000

Attachments:

1: Ordinance

Exhibit A: FY 2026 Annual Appropriation Ordinance Summary of Appropriations  
by Fund

ORDINANCE NO. #,###-N.S.

ADOPTING THE ANNUAL APPROPRIATIONS ORDINANCE BASED ON THE ADOPTED BUDGET FOR FISCAL YEAR 2026 AS PROPOSED BY THE CITY MANAGER AND PASSED BY THE CITY COUNCIL

BE IT ORDAINED by the Council of the City of Berkeley as follows:

Section 1. That the Annual Appropriations Ordinance based on the budget for FY 2026 submitted by the City Manager and passed by the City Council be adopted as follows and as summarized in Exhibit A:

|                                                |                    |
|------------------------------------------------|--------------------|
| A. General Fund (Funds 001-099)                | 316,747,167        |
| B. Special Funds (Funds 100-199)               | 140,942,899        |
| C. Grant Funds (Funds 300-399)                 | 47,531,626         |
| D. Capital Projects Funds (Funds 500-550)      | 26,043,298         |
| E. Debt Service Fund (Funds 551-599)           | 15,010,855         |
| F. Enterprise Funds (Funds 600-669)            | 161,274,748        |
| G. Internal Service Funds (Funds 146, 670-699) | 60,390,649         |
| H. Trust Funds (Funds 701-759)                 | 213,777            |
| H. Successor Agency (Funds 760-769)            | 57,120             |
| I. Agency Funds (Funds 771-799)                | 5,076,588          |
| J. Other Funds (Funds 800-899)                 | 8,473,266          |
| <u>K. Total</u>                                |                    |
| Total General Fund                             | 316,747,167        |
| Add: Total Other Than General Fund             | 465,014,827        |
| <b>Gross Revenue Appropriated</b>              | <b>781,761,995</b> |
| Less: Dual Appropriations                      | -50,305,652        |
| Less: Revolving/Internal Service Funds         | -57,765,803        |
| <b>Net Revenue Appropriated</b>                | <b>673,690,540</b> |

Section 2. The City Manager is hereby permitted, without further authority from the City Council, to make the following transfers by giving written notice to the Director of Finance:

- a. From the General Fund to the General Fund – Stability Reserve Fund; Catastrophic Reserve Fund; PERS Savings Fund; Health State Aid Realignment; Fair Election Fund; Capital Improvement Fund; Phone System Replacement; Equipment Replacement Fund; Public Liability Fund; Catastrophic Loss Fund; IT Cost Allocation Fund; Police Employee Retiree Health Assistance Plan; Safety Members Pension Fund; and Sick Leave Entitlement Fund.
- b. To the General Fund from the General Fund – Stability Reserves Fund; Catastrophic Reserves Fund; Community Development Block Grant Fund; Street Lighting Assessment District Fund; Zero Waste Fund; Marina Operations and Maintenance Fund; Sanitary Sewer Operation Fund; Clean Storm Water Fund; Permit Service Center Fund; Parking Meter Fund; Unified Program (CUPA); and Health State Aid Realignment Fund.
- c. From GF-Payroll Deduction Trust Fund to Employee Training Fund
- d. To the First Source Fund from the Parks Tax Fund; Capital Improvement Fund; and the Marina Fund.
- e. From Measure FF – Public Safety Fund to Paramedic Tax Fund
- f. From Capital Improvement Fund to Berkeley Repertory Theater Fund; and 2010 COP (Animal Shelter) Fund.
- g. To the Public Art Fund from the Parks Tax Fund; Capital Improvement Fund; and the Marina Fund.
- h. To CFD#1 District Fire Protection Bond (Measure Q) from Special Tax Bonds CFD#1 ML-ROOS.
- i. To Private Sewer Lateral Fund from Sanitary Sewer Operation Fund.
- j. To Catastrophic Loss Fund from Permit Service Center Fund.
- k. To Catastrophic Loss Fund from Unified Program (CUPA) Fund.
- l. To the Building Purchases and Management Fund from General Fund; Health (General) Fund; Rental Housing Safety Program Fund; Measure B Local Streets & Road Fund; Employee Training Fund; Zero Waste Fund; Sanitary Sewer Operation Fund; Clean Storm Water Fund; Permit Service Center Fund; Off Street Parking Fund; Parking Meter Fund; Unified Program (CUPA) Fund; Building Purchases & Management Fund; Building Maintenance Fund; Central Services Fund; and Health State Aide Realignment Trust Fund.
- m. To Equipment Replacement Fund from General Fund; Mental Health Services Act Fund; Health (Short/Doyle) Fund; Vector Control Fund; Paramedic Tax Fund; Playground Camp Fund; State Transportation Tax Fund; Rental Housing Safety

Program Fund; Parks Tax Fund; Street Light Assessment District Fund; Zero Waste Fund; Marina Operations/Maintenance Fund; Sanitary Sewer Operation Fund; Clean Storm Water Fund; Permit Service Center Fund; Parking Meter Fund; Equipment Maintenance Fund; Building Maintenance Fund; and Central Services Fund.

- n. To the Equipment Maintenance Fund from General Fund; Health (General) Fund; Mental Health Services Act Fund; Health (Short/Doyle) Fund; Vector Control Fund; Paramedic Tax Fund; Library - Discretionary Fund; Playground Camp Fund; State Transportation Tax Fund; Rental Housing Safety Program Fund; Rent Stabilization Board Fund; Parks Tax Fund; Street Light Assessment District Fund; FEMA Fund; Zero Waste Fund; Marina Operations/Maintenance Fund; Sanitary Sewer Operation Fund; Clean Storm Water Fund; Permit Service Center Fund; Off Street Parking Fund; Parking Meter Fund; Equipment Maintenance Fund; Building Maintenance Fund; and Central Services Fund.
- o. To the Building Maintenance Fund from the General Fund; Health (General) Fund; Health (Short/Doyle) Fund; Measure B Local Street & Road Fund; Parks Tax Fund; Street Light Assessment District Fund; Zero Waste Fund; Sanitary Sewer Operation Fund; Clean Storm Water Fund; Off Street Parking Fund; Parking Meter Fund; Equipment Maintenance Fund; Building Maintenance Fund; and Mental Health State Aid Realignment Fund.
- p. To the Central Services Fund from the General Fund; First Source Fund; Health (Short/Doyle) Fund; Library-Discretionary Fund; Playground Camp Fund; Rent Stabilization Board Fund; Zero Waste Fund; Marina Operations/Maintenance Fund; Sanitary Sewer Operation; Building Purchases & Management Fund; Building Maintenance Fund; Central Services Fund; and Mental Health State Aid Realignment Fund.
- q. To Information Technology Cost Allocation Plan Fund from General Fund; Target Case Management/Linkages Fund; Health (Short/Doyle); Library Fund; Playground Camp Fund; State Transportation Tax Fund; CDBG Fund; Rental Housing Safety Program; Rent Stabilization Board Fund; Parks Tax Fund; Street Light Assessment District Fund; Zero Waste Fund; Marina Operations/Maintenance Fund; Sanitary Sewer Operation; Clean Storm Water Fund; Permit Service Center Fund; Off Street Parking Fund; Parking Meter Fund; Unified Program (CUPA) Fund; Equipment Maintenance Fund; Building Maintenance Fund; Information Technology Cost Allocation Plan Fund; Health State Aid Realignment Trust Fund; and Mental Health State Aid Realignment Fund.
- r. To the Workers' Compensation Self-Insurance Fund from General Fund; Special Tax for Severely Disabled Measure E Fund; First Source Fund; HUD Fund; ESGP Fund; Health (General) Fund; Target Case Management/Linkages Fund; Mental Health Service Act Fund; Health (Short/Doyle) Fund; EPSDT Expansion Proposal

Fund; Senior Nutrition (Title III) Fund; C.F.P. Title X Fund; Fund Raising Activities Fund; Berkeley Unified School District Grant; Vector Control Fund; Paramedic Tax Fund; Alameda County Grants Fund; Senior Supportive Social Services Fund; Family Care Support Program Fund; Domestic Violence Prevention – Vital Statistics Fund; Affordable Housing Mitigation; Inclusionary Housing Program; Library – Discretionary Fund; Playground Camp Fund; Community Action Program Fund; State Proposition 172 Public Safety Fund; State Transportation Tax Fund; CDBG Fund; Rental Housing Safety Program; Measure B Local State & Road Fund; Measure B Bike & Pedestrian Fund; Measure B – Paratransit Fund; Measure F Alameda County Vehicle Registration Fee Streets & Roads Fund; Measure BB – Paratransit Fund; Fair Election Fund; Measure U1 Fund; One-Time Grant: No Cap Expense Fund; Rent Stabilization Board Fund; Parks Tax Fund; Measure GG – Fire Prep Tax Fund; Street Lighting Assessment District Fund; Employee Training Fund; Private Percent – Art Fund; Measure T1 – Infrastructure & Facilities Fund; FUND\$ Replacement Fund; Capital Improvement Fund; FEMA Fund; CFD #1 District Fire Protect Bond Fund; Special Tax Bonds CFD#1 ML-ROOS Fund; Shelter+Care HUD Fund; Shelter+Care County Fund; Zero Waste Fund; Marina Operations/Maintenance Fund; Sanitary Sewer Operation Fund; Clean Storm Water Fund; Private Sewer Lateral Fund; Permit Service Center Fund; Off-Street Parking Fund; Parking Meter Fund; Unified Program (CUPA) Fund; Building Purchases & Management Fund; Equipment Replacement Fund; Equipment Maintenance Fund; Building Maintenance Fund; Central Services Fund; Workers' Compensation Fund; Public Liability Fund; Information Technology Cost Allocation Plan Fund; Health State Aid Realignment Trust Fund; Tobacco Control Trust Fund; Mental Health State Aid Realignment Fund; Alameda Abandoned Vehicle Abatement Authority; and Bio-Terrorism Grant Fund.

- s. To the Sick Leave and Vacation Leave Accrual Fund from General Fund; Special Tax for Severely Disabled Measure E Fund; First Source Fund; HUD Fund; ESGP Fund; Health (General) Fund; Target Case Management/Linkages Fund; Mental Health Service Act Fund; Health (Short/Doyle) Fund; EPSDT Expansion Proposal Fund; Senior Nutrition (Title III) Fund; C.F.P. Title X Fund; Fund Raising Activities Fund; Berkeley Unified School District Grant; Vector Control Fund; Paramedic Tax Fund; Alameda County Grants Fund; Senior Supportive Social Services Fund; Family Care Support Program Fund; Domestic Violence Prevention – Vital Statistics Fund; Affordable Housing Mitigation; Inclusionary Housing Program; Library – Discretionary Fund; Playground Camp Fund; Community Action Program Fund; State Proposition 172 Public Safety Fund; State Transportation Tax Fund; CDBG Fund; Rental Housing Safety Program; Measure B Local State & Road Fund; Measure B Bike & Pedestrian Fund; Measure B – Paratransit Fund; Measure F Alameda County Vehicle Registration Fee Streets & Roads Fund; Measure BB – Paratransit Fund; Fair Election Fund; Measure U1 Fund; One-Time Grant: No Cap Expense Fund; Rent Stabilization Board Fund; Parks Tax Fund; Measure GG – Fire Prep Tax Fund; Street Lighting Assessment District Fund; Employee Training Fund; Private Percent – Art Fund; Measure T1 – Infrastructure & Facilities Fund; FUND\$ Replacement Fund; Capital Improvement Fund; FEMA Fund; CFD

#1 District Fire Protect Bond Fund; Special Tax Bonds CFD#1 ML-ROOS Fund; Shelter+Care HUD Fund; Shelter+Care County Fund; Zero Waste Fund; Marina Operations/Maintenance Fund; Sanitary Sewer Operation Fund; Clean Storm Water Fund; Private Sewer Lateral Fund; Permit Service Center Fund; Off-Street Parking Fund; Parking Meter Fund; Unified Program (CUPA) Fund; Building Purchases & Management Fund; Equipment Replacement Fund; Equipment Maintenance Fund; Building Maintenance Fund; Central Services Fund; Workers' Compensation Fund; Public Liability Fund; Information Technology Cost Allocation Plan Fund; Health State Aid Realignment Trust Fund; Tobacco Control Trust Fund; Mental Health State Aid Realignment Fund; Alameda Abandoned Vehicle Abatement Authority; and Bio-Terrorism Grant Fund.

- t. To the Payroll Deduction Trust Fund from General Fund; Special Tax for Severely Disabled Measure E Fund; First Source Fund; HUD Fund; ESGP Fund; Health (General) Fund; Target Case Management/Linkages Fund; Mental Health Service Act Fund; Health (Short/Doyle) Fund; EPSDT Expansion Proposal Fund; Senior Nutrition (Title III) Fund; C.F.P. Title X Fund; Fund Raising Activities Fund; Berkeley Unified School District Grant; Vector Control Fund; Paramedic Tax Fund; Alameda County Grants Fund; Senior Supportive Social Services Fund; Family Care Support Program Fund; Domestic Violence Prevention – Vital Statistics Fund; Affordable Housing Mitigation; Inclusionary Housing Program; Library – Discretionary Fund; Playground Camp Fund; Community Action Program Fund; State Proposition 172 Public Safety Fund; State Transportation Tax Fund; CDBG Fund; Rental Housing Safety Program; Measure B Local State & Road Fund; Measure B Bike & Pedestrian Fund; Measure B – Paratransit Fund; Measure F Alameda County Vehicle Registration Fee Streets & Roads Fund; Measure BB – Paratransit Fund; Fair Election Fund; Measure U1 Fund; One-Time Grant: No Cap Expense Fund; Rent Stabilization Board Fund; Parks Tax Fund; Measure GG – Fire Prep Tax Fund; Street Lighting Assessment District Fund; Employee Training Fund; Private Percent – Art Fund; Measure T1 – Infrastructure & Facilities Fund; FUND\$ Replacement Fund; Capital Improvement Fund; FEMA Fund; CFD #1 District Fire Protect Bond Fund; Special Tax Bonds CFD#1 ML-ROOS Fund; Shelter+Care HUD Fund; Shelter+Care County Fund; Zero Waste Fund; Marina Operations/Maintenance Fund; Sanitary Sewer Operation Fund; Clean Storm Water Fund; Private Sewer Lateral Fund; Permit Service Center Fund; Off-Street Parking Fund; Parking Meter Fund; Unified Program (CUPA) Fund; Building Purchases & Management Fund; Equipment Replacement Fund; Equipment Maintenance Fund; Building Maintenance Fund; Central Services Fund; Workers' Compensation Fund; Public Liability Fund; Information Technology Cost Allocation Plan Fund; Health State Aid Realignment Trust Fund; Tobacco Control Trust Fund; Mental Health State Aid Realignment Fund; Alameda Abandoned Vehicle Abatement Authority; and Bio-Terrorism Grant Fund.

Section 3. Copies of this Ordinance shall be posted for two days prior to adoption in the display case located near the walkway in front of Council Chambers, 2134 Martin Luther King Jr. Way. Within 15 days of adoption, copies of this Ordinance shall be filed at each branch of the Berkeley Public Library and the title shall be published in a newspaper of general circulation.

**Attachment for Annual Appropriations Ordinance - Fiscal Year 2026****REVOLVING FUNDS/INTERNAL SERVICE FUNDS**

Appropriations are identified with revolving and internal service funds. Such funds derive revenue by virtue of payment from other fund sources as benefits are received by such funds, and the total is reflected in the "Less Revolving Funds and Internal Service Funds" in item I. The funds are:

**Revolving/Internal Service Funds**

|                                           |               |
|-------------------------------------------|---------------|
| Employee Training Fund                    | 822,177       |
| Equipment Replacement Fund                | 6,536,146     |
| Equipment Maintenance Fund                | 10,385,092    |
| Building Maintenance Fund                 | 5,518,650     |
| Central Services Fund                     | 411,006       |
| Workers' Compensation Fund                | 11,601,193    |
| Public Liability Fund                     | 3,760,097     |
| Information Technology Fund               | 18,731,443    |
| Subtotal Revolving/Internal Service Funds | \$ 57,765,803 |

**DUAL APPROPRIATIONS - WORKING BUDGET**

Dual appropriations are identified with revenues generated by one fund and transferred to another fund. Both funds are credited with the applicable revenue, and the total is reflected in the "Less Dual Appropriations" in item I. The dual appropriations are:

## Transfers to the General Fund

|                                       |              |
|---------------------------------------|--------------|
| <u>Indirect Cost Reimbursement</u>    |              |
| CDBG Fund                             | 176,194      |
| Street Light Assessment District Fund | 115,708      |
| One-Time Grant: No Cap Exp            | 78,545       |
| Zero Waste Fund                       | 2,658,265    |
| Marina Enterprise Fund                | 452,819      |
| Sanitary Sewer Fund                   | 1,099,804    |
| Clean Storm Water Fund                | 178,513      |
| Permit Service Center Fund            | 2,187,182    |
| Unified Program (CUPA) Fund           | 89,070       |
| Subtotal Transfers to General Fund:   | \$ 7,036,100 |

|                                                                              |                       |
|------------------------------------------------------------------------------|-----------------------|
| Transfer to Safety Members Pension Fund from General Fund                    | 551,804               |
| Transfer to Measure U1 Fund from General Fund                                | 6,500,000             |
| Transfer to Health State Aid Realignment from General Fund                   | 1,953,018             |
| Transfer to Fair Election Fund from General Fund                             | 612,210               |
| Transfer to Capital Improvement Fund (CIP) from General Fund                 | 13,730,788            |
| Transfer to Equipment Replacement Fund from General Fund                     | 1,081,699             |
| Transfer to Public Liability Fund from General Fund                          | 3,446,161             |
| Transfer to Catastrophic Loss Fund from General Fund                         | 6,278,457             |
| Transfer to IT Cost Allocation Fund from General Fund                        | 71,335                |
| Transfer to Police Employee Retiree Health Assistance Plan from General Fund | 400,136               |
| Transfer to Equipment Replacement Fund from General Fund                     | 677,681               |
| Transfer to Sick Leave Entitlement Fund from General Fund                    | 201,501               |
| Transfer from GF Payroll Deduction Trust Fund to Employee Training Fund      | 750,000               |
| Transfer to General Fund from Health State Aid Realignment Fund              | 2,643,280             |
| Transfer to Paramedic Tax Fund from Measure FF - Public Safety Fund          | 757,925               |
| Transfer to Berkeley Repertory Theater Debt Service Fund from CIP Fund       | 499,802               |
| Transfer from CIP Fund to 2010 COP (Animal Shelter) Fund                     | 402,613               |
| Transfer to Equipment Replacement Fund from Capital Improvement Fund (CIP)   | 678,030               |
| Transfer to Private Sewer Lateral Fund from Sewer Fund                       | 90,501                |
| Transfer to Catastrophic Loss Fund from Permit Service Center Fund           | 50,555                |
| Transfer to Catastrophic Loss Fund from Unified Program (CUPA) Fund          | 5,082                 |
| Transfer to General Fund from Parking Meter Fund                             | 1,042,288             |
| Transfer to General Fund from IT Cost Allocation Fund                        | 301,525               |
| Transfer to GF Payroll Deduction Trust Fund from Sick Leave Entitlement Fund | 273,854               |
| Transfer to First Source Fund from Parks Tax Fund                            | 26,925                |
| Transfer to First Source Fund from Capital Improvement Fund                  | 26,925                |
| Transfer to First Source Fund from Marina Fund                               | 2,175                 |
| Transfer to Public Art Fund from Parks Tax Fund                              | 68,119                |
| Transfer to Public Art Fund from Capital Improvement Fund                    | 141,357               |
| Transfer to Public Art Fund from Marina Fund                                 | 3,806                 |
| Subtotal Transfers to Other Funds:                                           | <u>43,269,552</u>     |
| Sub-Total Dual Appropriations                                                | <u>\$ 50,305,652</u>  |
| <b>Grand Total Dual Appropriations</b>                                       | <b>\$ 108,071,455</b> |

## SUMMARY OF APPROPRIATIONS BY FUND

| ERMA<br>Fund # Fund                            | FY 2026<br>Adopted |
|------------------------------------------------|--------------------|
| 11 General Fund Discretionary                  | 310,261,633        |
| 13 GF - Payroll Deduction Trust                | 750,000            |
| 16 Measure U1 - Housing                        | 5,735,534          |
| 101 Library - Tax                              | 29,382,885         |
| 102 Library - Trans Based                      | 4,000,000          |
| 103 Library - Grants                           | 99,884             |
| 104 Library - Friends & Gift                   | 222,150            |
| 105 Library - Foundation                       | 200,000            |
| 106 Asset Forfeiture                           | 61,000             |
| 107 Special Tax Measure E                      | 1,804,044          |
| 108 Workforce Investment                       | 64,135             |
| 110 Sec 108 Loan Gty Asst.                     | 1,183,612          |
| 111 Fund Raising Activities                    | 54,789             |
| 113 Gilman Sports Field                        | 335,382            |
| 115 Animal Shelter                             | 52,480             |
| 116 Paramedic Tax                              | 4,894,321          |
| 119 Domestic Violence Prev - Vit Stat          | 32,490             |
| 120 Affordable Housing Mitigation              | 757,356            |
| 121 Affordable Child Care                      | 13,275             |
| 122 Inclusionary Housing Program               | 352,211            |
| 123 Condo Conversion                           | 41,573             |
| 125 Playground Camp                            | 4,387,369          |
| 126 State-Prop 172 Pub.Safety                  | 448,976            |
| 127 State Transportation Tax                   | 7,686,498          |
| 128 CDBG                                       | 2,754,521          |
| 129 Rental Housing Safety Program              | 2,804,807          |
| 130 Measure B - Local St & Road                | 61,882             |
| 131 Measure B - Bike & Pedestrian              | -                  |
| 132 Measure B - Paratransit                    | 17,016             |
| 133 Measure F Alameda County VRF St & Rd       | 462,227            |
| 134 Measure BB - Local St & Road               | 7,507,298          |
| 135 Measure BB - Bike & Pedestrian             | 1,762,862          |
| 136 Measure BB - Paratransit                   | 967,484            |
| 138 Parks Tax                                  | 24,534,028         |
| 139 Streets and Open Space Improvement (SOSIP) | 200,000            |
| 140 Measure GG - Fire Prep Tax                 | 6,289,268          |
| 142 Streetlight Assesment District             | 3,284,660          |
| 143 Berkeley Bus Ec Dev                        | 156,387            |
| 146 Employee Training                          | 822,177            |
| 147 UC Settlement                              | 5,521,394          |
| 148 Cultural Trust                             | -                  |
| 149 Private Party Sidewalks                    | 100,000            |
| 150 Public Art Fund                            | 64,367             |
| 152 Vital & Health Statistics Trust Fund       | 30,292             |

## SUMMARY OF APPROPRIATIONS BY FUND

| ERMA<br>Fund # Fund                         | FY 2026<br>Adopted |
|---------------------------------------------|--------------------|
| 156 Hlth State Aid Realign Trust            | 6,844,776          |
| 157 Tobacco Cont.Trust                      | 382,250            |
| 158 Mental Health State Aid Realign         | 6,335,939          |
| 159 Citizens Option Public Safety Trust     | 272,448            |
| 161 Alameda Cty Abandoned Vehicle Abatement | 101,285            |
| 164 Measure FF - Public Safety              | 12,926,348         |
| 165 Fair Elections                          | 664,752            |
| 301 Operating Grants - Federal              | 155,304            |
| 302 Operating Grants - State                | 3,844,695          |
| 306 Capital Grants - State                  | 750,000            |
| 307 Capital Grants - Local                  | 100,000            |
| 309 OTS DUI Enforcement Education Prg.      | 149,321            |
| 310 HUD/Home                                | 2,459,896          |
| 311 ESG                                     | 235,186            |
| 312 Health (General)                        | 2,733,843          |
| 313 Target Case Management Linkages         | 1,491,747          |
| 315 Mental Health Service Act               | 11,265,993         |
| 316 Health (Short/Doyle)                    | 7,235,143          |
| 317 EPSDT Expansion Proposal                | 669,282            |
| 318 Alcoholic Bev Ctr OTS/UC                | 60,237             |
| 319 Youth Lunch                             | 50,838             |
| 320 Sr. Nutrition Title III                 | 262,905            |
| 321 CFP Title X                             | (1,716)            |
| 324 BUSD Grant                              | 216,871            |
| 325 Vector Control                          | 485,945            |
| 326 Alameda County Grants                   | 1,115,784          |
| 327 Senior Supportive Social Services       | 118,794            |
| 328 Family Care Support Program             | 112,253            |
| 329 CA Integrated Waste Management          | 5,244              |
| 331 Housing Mitigation                      | -                  |
| 333 CALHOME                                 | 221,240            |
| 334 CSBG                                    | 291,358            |
| 336 One-Time Grant: No Cap Exp              | 758,064            |
| 339 MTC                                     | 752,827            |
| 340 FEMA                                    | 2,869,444          |
| 341 Alameda Cty Waste Mgt.                  | 345,000            |
| 343 State Dept Conserv/Recylg               | 32,000             |
| 347 Shelter+Care HUD                        | 7,334,881          |
| 348 Shelter+Care County                     | 1,041,448          |
| 349 JAG Grant                               | 60,759             |
| 350 Bioterrorism Grant                      | 307,040            |
| 354 ARPA - Local Fiscal Recovery Fund       | -                  |
| 501 Capital Improvement Fund                | 18,155,130         |
| 502 Phone System Replacement                | 449,408            |

## SUMMARY OF APPROPRIATIONS BY FUND

| ERMA<br>Fund # Fund                        | FY 2026<br>Adopted |
|--------------------------------------------|--------------------|
| 503 FUND\$ Replacement                     | 3,065,223          |
| 504 PEG-Public, Education & Government     | 267,210            |
| 511 Measure T1 - Infra & Facil.            | 4,106,327          |
| 512 Measure O                              | -                  |
| 552 09 Measure FF Debt Service             | 1,330,513          |
| 553 2015 GORBS                             | 2,043,981          |
| 554 2012 Lease Revenue Bonds BJPFA         | 499,849            |
| 555 2015 GORBS - 2002 G.O. Refunding Bonds | 378,696            |
| 556 2015 GORBS (2007, Series A)            | 142,312            |
| 557 2015 GORBS (2008 Measure I)            | 479,416            |
| 558 2010 COP (Animal Shelter)              | 140,085            |
| 559 Measure M GO Street & Water Imps       | 1,639,250          |
| 560 Infrastructure & Facilities Measure T1 | 3,755,881          |
| 561 Measure O - Housing Bonds              | 4,600,873          |
| 601 Zero Waste                             | 61,372,048         |
| 608 Marina Operation                       | 7,663,273          |
| 611 Sewer                                  | 33,533,465         |
| 612 Private Sewer Lateral FD               | 80,849             |
| 616 Clean Storm Water                      | 8,457,524          |
| 621 Permit Service Center                  | 27,883,725         |
| 622 Unified Program (CUPA)                 | 1,021,938          |
| 627 Off Street Parking                     | 7,203,523          |
| 631 Parking Meter                          | 10,178,760         |
| 636 Building Purchases and Management      | 3,879,644          |
| 671 Equipment Replacement                  | 6,536,146          |
| 672 Equipment Maintenance                  | 10,385,092         |
| 673 Building Maintenance Fund              | 5,518,650          |
| 674 Central Services                       | 411,006            |
| 676 Workers Compensation                   | 11,601,193         |
| 678 Public Liability                       | 3,760,097          |
| 679 Catastrophic Loss                      | 3,447,023          |
| 680 IT Cost Allocation                     | 18,731,443         |
| 706 Police Medical Trust Fund              | 48,281             |
| 721 Retiree Medical Trust Fund - BHA       | 2,970              |
| 722 Retiree Medical Trust Fund - IBEW      | 2,563              |
| 723 Retiree Medical Trust Fund - Local 1   | 22,595             |
| 724 Retiree Medical Trust Fund - Z1 Mgmt.  | 4,000              |
| 725 Retiree Medical Trust Fund - Z2 To Z6  | 12,000             |
| 726 Retiree Medical Trust Fund - Local 535 | 32,191             |
| 727 Retiree Medical Trust Fund - Local 790 | 37,106             |
| 731 Police EE Retiree Health Ast Plan      | 6,500              |
| 736 Fire Medical Trust Fund                | 45,571             |
| 762 Successor Agency - Savo DSF            | 57,120             |
| 776 Thousand Oaks Underground              | 100,096            |

## SUMMARY OF APPROPRIATIONS BY FUND

| <b>ERMA</b>                                   | <b>FY 2026</b> |
|-----------------------------------------------|----------------|
| <b>Fund # Fund</b>                            | <b>Adopted</b> |
| 777 Measure H - School Tax                    | 500,000        |
| 778 Measure Q - CFD#1 Dis. Fire Protect Bond  | 107,904        |
| 779 Spl Tax Bds. CFD#1 ML-ROOS                | 778,589        |
| 780 Sick Leave Entitlement                    | 322,955        |
| 781 Berkeley Tourism BID                      | 762,486        |
| 782 Elmwood Business Improvement District     | 30,000         |
| 783 Solano Ave BID                            | 25,000         |
| 784 Telegraph Avenue Bus. Imp. District       | 616,664        |
| 785 North Shattuck BID                        | 228,135        |
| 786 Downtown Berkeley Prop & Improv. District | 1,604,760      |
| 801 Rent Board                                | 8,473,266      |
| GROSS EXPENDITURE:                            | 781,761,995    |
| Dual Appropriations                           | (50,305,652)   |
| Revolving & Internal Service Funds            | (57,765,803)   |
| NET EXPENDITURE:                              | 673,690,540    |



Office of the City Manager

ACTION CALENDAR

June 24, 2025

To: Honorable Mayor and Members of the City Council

From: Paul Buddenhagen, City Manager

Submitted by: Henry Oyekanmi, Director, Finance Department

Subject: Borrowing of Funds and the Sale and Issuance of FY 2025-26 Tax and Revenue Anticipation Notes

RECOMMENDATION

Adopt a Resolution approving the borrowing of Not to Exceed (NTE) \$61,000,000 and the sale and issuance of Fiscal Year 2025-26 Tax and Revenue Anticipation Notes.

FISCAL IMPACTS OF RECOMMENDATION

Each year, the City (as do many local agencies) issues Tax and Revenue Anticipation Notes (“Notes”) to help with its working capital needs during the first six months of the fiscal year. The reason for this issuance is that the City does not receive the bulk of its property tax revenues until December, thereby creating a negative cash flow in the General Fund. This annual issuance also enables the General Fund to recoup some of the interest earnings lost in advancing money to grant funds pending grant reimbursements, since the interest rate earned on any note proceeds invested will exceed the cost of borrowing.

The City’s General Fund cash flow has become more volatile due to (1) The City now receives most of its property tax in two bulk payments in December and April; and (2) also receives the payment of Vehicle In Lieu fees in December and May with the property taxes, instead of monthly.

The money will be deposited in the General Fund and used by the City for any purpose for which it is authorized to expend General Fund monies. The interest earned on these monies will be allocated to the General Fund. The repayment of principal and interest on the Notes are to be made from General Fund taxes and other revenues.

CURRENT SITUATION AND ITS EFFECTS

The General Fund advances grant funds in the amounts needed to pay for their expenditures, until these funds receive reimbursement from the granting agencies. During the first six months of the fiscal year until property tax receipts are received, General Fund operating expenditures exceed revenues. Under Sections 53850-53858 of the California

Government Code and federal tax law, the City may borrow an amount not to exceed the maximum anticipated cash flow deficit plus five percent of working capital reserve if all the note proceeds, including investment earnings, are deemed spent within 6 months of the date of the issue of the Notes. This method of financing involves the sale of the Notes and is a traditional means used by local governments to ensure a consistent cash flow during the fiscal year. This year the City will borrow Note funds of Not to Exceed (NTE) \$61,000,000 to help with working capital needs in the first six months of the fiscal year and, when expenditures exceed incoming revenues. In the last six months of the fiscal year, the Notes will be repaid from General Fund taxes and other revenues, mainly property taxes and business license taxes.

For Fiscal Year 2025-26, the City will require a Note sale of an amount not to exceed sixty-one million dollars (\$61,000,000). The interest rate on the Notes will depend on competitive rates at the time of the sale.

## DISCLOSURE

The attached Preliminary Official Statement has been reviewed and approved for transmittal to the City Council by the City's financing team. The distribution of the Preliminary Official Statement by the City is subject to federal securities laws, including the Securities Act of 1933 and the Securities Exchange Act of 1934. These laws require the Preliminary Official Statement to include all facts that would be material to an investor in the Notes. Material information is information that there is a substantial likelihood would have actual significance in the deliberations of the reasonable investor when deciding whether to buy or sell the Notes. If the City Council concludes that the Preliminary Official Statement includes all facts that would be material to an investor in the Notes, it must adopt a resolution that authorizes staff to execute a certificate to the effect that the Preliminary Official Statement has been "deemed final."

The Securities and Exchange Commission (the "SEC"), the agency with regulatory authority over the City's compliance with the federal securities laws, has issued guidance as to the duties of the City Council with respect to its approval of the Preliminary Official Statement. In its "Report of Investigation in the Matter of County of Orange, California as it Relates to the Conduct of the Members of the Board of Supervisors" (Release No. 36761 / January 24, 1996) (the "Release"), the SEC indicated that, if a member of the City Council has knowledge of any facts or circumstances that an investor would want to know about prior to investing in the Notes, whether relating to their repayment, tax-exempt status, undisclosed conflicts of interest with interested parties, or otherwise, he or she should endeavor to discover whether such facts are adequately disclosed in the Preliminary Official Statement. In the Release, the SEC indicated that the steps that a member of the City Council could take include becoming familiar with the Preliminary

Official Statement and questioning staff and consultants about the disclosure of such facts.

The information about the sources of payment for the Notes, including the City's financial and operating data, is set forth in the sections of the Preliminary Official Statement entitled "SECURITY FOR AND SOURCES OF PAYMENT FOR THE NOTES" and "APPENDIX A - CERTAIN INFORMATION CONCERNING THE CITY OF BERKELEY."

The information about the tax-exempt status of the Notes is set forth in the section of the Preliminary Official Statement entitled "TAX MATTERS."

#### RATIONALE FOR RECOMMENDATION

The General Fund advances grant funds the amounts needed to pay for their expenditures, until these funds receive reimbursement from the granting agencies. During the first six months of the fiscal year, General Fund operating expenditures exceed revenues. As a result, the General Fund's working capital is depleted during this period, and borrowing these funds will alleviate that situation.

#### ENVIRONMENTAL SUSTAINABILITY

There are no identifiable environmental effects or opportunities associated with the subject of this report.

#### CONTACT PERSON

Henry Oyekanmi, Director of Finance, Finance Department, 981-7301

#### Attachments:

1. Resolution
2. Draft Form of Official Notice of Sale
3. Form of the Preliminary Official Statement

**\*\*\* PLEASE DO NOT PLACE THIS ITEM ON THE CONSENT CALENDAR PURSUANT TO GOVERNMENT CODE SECTION 53635.7\*\*\***

RESOLUTION NO. \_\_\_\_\_-N.S.

APPROVING THE BORROWING OF FUNDS FOR FISCAL YEAR 2025-26 AND THE ISSUANCE AND SALE OF 2025-26 TAX AND REVENUE ANTICIPATION NOTES

WHEREAS, pursuant to Article 7.6 (commencing with section 53850) of Chapter 4 of Part 1 of Division 2 of Title 5 of the California Government Code (the "Law"), this City Council (the "Council") has found and determined that moneys are needed for the requirements of the City, a municipal corporation and charter city duly organized and existing under the laws of the State of California, to satisfy obligations payable from the General Fund of the City (the "General Fund"), and that it is necessary that said sum be borrowed for such purpose at this time by the issuance of temporary notes therefor in anticipation of the receipt of taxes, income, revenue, cash receipts and other moneys to be received by the City for the General Fund during or allocable to the fiscal year of the City beginning July 1, 2025 and ending June 30, 2026 ("Fiscal Year 2025-26"); and

NOW THEREFORE, BE IT RESOLVED that the Council of the City of Berkeley approves the following:

*Section 1. Limitation on Maximum Amount.* The principal amount of notes issued pursuant hereto, when added to the interest payable thereon, shall not exceed eighty-five percent (85%) of the estimated amount of the uncollected taxes, income, revenue, cash receipts and other moneys of the City for the General Fund attributable to Fiscal Year 2025-26, and available for the payment of said notes and the interest thereon (as hereinafter provided).

*Section 2. Authorization and Terms of Notes.* Solely for the purpose of anticipating taxes, income, revenue, cash receipts and other moneys to be received by the City for the General Fund during or allocable to Fiscal Year 2025-26, and not pursuant to any common plan of financing, the City hereby determines to and shall borrow the principal amount of not-to-exceed Sixty-One Million Dollars (\$61,000,000) by the issuance of temporary notes under the Law, designated "City of Berkeley, California 2025-26 Tax and Revenue Anticipation Notes" (the "Notes"). The Notes shall be dated the date of initial delivery, shall mature (without option of prior redemption) no later than thirteen months after their date of issuance, and shall bear interest, payable at maturity and computed on a 30-day month/360-day year basis, at a rate not in excess of eight percent (8.0%) per annum. Both the principal of and interest on the Notes shall be payable in lawful money of the United States of America, as described below.

*Section 3. Form of Notes; Book Entry Only System.* The Notes shall be issued in fully registered form, without coupons, and shall be substantially in the form and substance set forth in Exhibit A attached hereto and by reference incorporated herein, the blanks in said form to be filled in with appropriate words and figures. The Notes shall be numbered from 1 consecutively upward in order of issuance, shall be in the denomination of \$5,000 each or any integral multiple thereof.

"CUSIP" identification numbers shall be imprinted on the Notes, but such numbers shall not constitute a part of the contract evidenced by the Notes and any error or omission with respect thereto shall not constitute cause for refusal of any purchaser to accept delivery of and pay for

the Notes. In addition, failure on the part of the City to use such CUSIP numbers in any notice to the registered owners of the Notes shall not constitute an event of default or any violation of the City's contract with such owners and shall not impair the effectiveness of any such notice.

Except as provided below, the owner of all of the Notes shall be The Depository Trust Company, New York, New York ("DTC"), and the Notes shall be registered in the name of Cede & Co., as nominee for DTC. The Notes shall be initially executed and delivered in the form of a single fully registered Note in the full aggregate principal amount of the Notes. The City may treat DTC (or its nominee) as the sole and exclusive owner of the Notes registered in its name for all purposes of this Resolution, and the City shall not be affected by any notice to the contrary. The City shall not have any responsibility or obligation to any participant of DTC (a "Participant"), any person claiming a beneficial ownership interest in the Notes under or through DTC or a Participant (a "Beneficial Owner"), or any other person not shown on the register of the City as being an owner, with respect to the accuracy of any records maintained by DTC or any Participant or the payment by DTC or any Participant by DTC or any Participant of any amount in respect of the principal or interest with respect to the Notes. The City shall pay all principal and interest with respect to the Notes only to DTC or its nominee, and all such payments shall be valid and effective to fully satisfy and discharge the City's obligations with respect to the principal and interest with respect to the Notes to the extent of the sum or sums so paid. Except under the conditions noted below, no person other than DTC shall receive a Note. Upon delivery by DTC to the City of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede & Co., the term "Cede & Co." in this Resolution shall refer to such new nominee of DTC.

If the City determines that it is in the best interest of the Beneficial Owners that they be able to obtain Notes and delivers a written certificate to DTC to that effect, DTC shall notify the Participants of the availability through DTC of Notes. In such event, the City shall issue, transfer and exchange Notes as requested by DTC and any other owners in appropriate amounts. DTC may determine to discontinue providing its services with respect to the Notes at any time by giving notice to the City and discharging its responsibilities with respect thereto under applicable law. Under such circumstances (if there is no successor securities depository), the City shall be obligated to deliver Notes to the Beneficial Owners as described in this Resolution. Whenever DTC requests the City to do so, the City will cooperate with DTC in taking appropriate action after reasonable notice to (a) make available one or more separate Notes evidencing the Notes to any DTC Participant having Notes credited to its DTC account or (b) arrange for another securities depository to maintain custody of Certificates evidencing the Notes.

Notwithstanding any other provision of this Resolution to the contrary, so long as any Note is registered in the name of Cede & Co., as nominee of DTC, all payments with respect to the principal and interest with respect to such Note and all notices with respect to such Note shall be made and given, respectively, to DTC as provided as in the representation letter delivered on the date of issuance of the Notes.

*Section 4. Use of Proceeds.* The proceeds of the sale of the Notes shall be deposited in a segregated account in the General Fund and used and expended by the City for any purpose for which it is authorized to expend funds from the General Fund.

*Section 5. Security.* The principal amount of the Notes, together with the interest thereon, shall be payable from taxes, income, revenue, cash receipts and other moneys which are received by the City for the General Fund for Fiscal Year 2025-26. As security for the payment of the principal of and interest on the Notes the City hereby pledges the first "unrestricted moneys" (as hereinafter defined) to be received by the City as follows: (a) an amount equal to fifty percent

(50%) of the principal amount of the Notes in the month of January 2026; (b) an amount equal to fifty percent (50%) of the principal amount of the Notes in the month of May 2026; and (c) an amount sufficient to pay interest as due on the Notes at their maturity, in the month of June 2026 (such pledged amounts being hereinafter called the "Pledged Revenues"). The principal of the Notes and the interest thereon shall constitute a first lien and charge thereon and shall be payable from the Pledged Revenues. To the extent not so paid from the Pledged Revenues, the Notes shall be paid from any other moneys of the City lawfully available therefor. In the event that there are insufficient "unrestricted moneys" received by the City to permit the deposit into the Special Account (as hereinafter defined) of the full amount of the Pledged Revenues to be deposited in any month by the last business day of such month, then the amount of any deficiency shall be satisfied and made up from any other moneys of the City lawfully available for the repayment of the Notes and interest thereon. The term "unrestricted moneys" shall mean taxes, income, revenue, cash receipts, and other moneys received by the City for the General Fund for Fiscal Year 2025-26 and which are generally available for the payment of current expenses and other obligations of the City.

*Section 6. Special Account.* There is hereby created, within the General Fund, a special account to be designated the "2025-26 Tax and Revenue Anticipation Note Special Account" (the "Special Account") and applied as directed in this Resolution. Any money placed in the Special Account shall be for the benefit of the owners of the Notes and, until the Notes and all interest thereon are paid or until provision has been made for the payment of the Notes at maturity with interest to maturity, the moneys in the Special Account shall be applied solely for the purposes for which the Special Account is created.

During the months of January, May, and June 2026, the City shall deposit all Pledged Revenues in the Special Account. On the maturity date of the Notes, the City shall transfer to DTC the moneys in the Special Account necessary to pay the principal of and interest on the Notes at maturity and to the extent said moneys are insufficient therefor an amount of moneys from the General Fund which will enable payment of the full principal of and interest on the Notes at maturity. DTC will thereupon make payments of principal of and interest on the Notes to the DTC Participants who will thereupon make payments to the Beneficial Owners of the Notes. Any moneys remaining in the Special Account after the Notes and the interest thereon have been paid, or provision for such payment has been made, shall be transferred to the General Fund.

*Section 7. Deposit and Investment of Special Account.* All moneys held by the City in the Special Account, if not invested, shall be held in time or demand deposits as public funds and shall be secured at all times by bonds or other obligations which are authorized by law as security for public deposits, of a market value at least equal to the amount required by law.

Moneys in the Special Account shall, to the greatest extent possible, be invested by the City directly, or through an investment agreement, in investments as permitted by the laws of the State of California as now in effect and as hereafter amended, and the proceeds of any such investments shall be deposited in the Special Account.

*Section 8. Execution of Notes.* The Mayor of the City, the City Manager, or the Director of Finance (each an "Authorized Officer") is hereby authorized to execute the Notes by manual or facsimile signature, and the City Clerk of the City is hereby authorized to countersign the same by manual or facsimile signature (although at least one of such signatures shall be manual) and to affix the seal of the City thereto by facsimile impression thereof, and said officers are hereby authorized to cause the blank spaces thereof to be filled in as may be appropriate.

**Section 9. Transfer of Notes.** Any Note may, in accordance with its terms, but only if the City determines to no longer maintain the book entry only status of the Notes, DTC determines to discontinue providing such services and no successor securities depository is named or DTC requests the City to deliver Note certificates to particular DTC Participants, be transferred, upon the books required to be kept pursuant to the provisions of Section 11 hereof, by the person in whose name it is registered, in person or by his duly authorized attorney, upon surrender of such Note for cancellation at the office of the City Clerk, accompanied by delivery of a written instrument of transfer in a form approved by the City, duly executed.

Whenever any Note or Notes shall be surrendered for transfer, the City shall execute and the Paying Agent shall authenticate and deliver a new Note or Notes, for like aggregate principal amount.

**Section 10. Exchange of Notes.** Any Note may, in accordance with its terms, but only if the City determines to no longer maintain the book entry only status of the Notes, DTC determines to discontinue providing such services and no successor securities depository is named or DTC requests the City to deliver Note certificates to particular DTC Participants, be exchanged at the office of the City Clerk for a like aggregate principal amount of Notes of authorized denominations and of the same maturity.

**Section 11. Note Register.** The City shall keep or cause to be kept sufficient books for the registration and transfer of the Notes if the book entry only system is no longer in effect and, in such case, the City Clerk shall register or transfer or cause to be registered or transferred, on said books, Notes as herein before provided. While the book entry only system is in effect, such books need not be kept as the Notes will be represented by one Note registered in the name of Cede & Co., as nominee for DTC.

**Section 12. Temporary Notes.** The Notes may be initially issued in temporary form exchangeable for definitive Notes when ready for delivery. The temporary Notes may be printed, lithographed or typewritten, shall be of such denominations as may be determined by the City, and may contain such reference to any of the provisions of this Resolution as may be appropriate. Every temporary Note shall be executed by the City upon the same conditions and in substantially the same manner as the definitive Notes. If the City issues temporary Notes it will execute and furnish definitive Notes without delay, and thereupon the temporary Notes may be surrendered, for cancellation, in exchange therefor at the office of the City Clerk and the City Clerk shall deliver in exchange for such temporary Notes an equal aggregate principal amount of definitive Notes of authorized denominations. Until so exchanged, the temporary Notes shall be entitled to the same benefits pursuant to this Resolution as definitive Notes executed and delivered hereunder.

**Section 13. Notes Mutilated, Lost, Destroyed or Stolen.** If any Note shall become mutilated the City, at the expense of the owner of said Note, shall execute and deliver a new Note of like maturity and principal amount in exchange and substitution for the Note so mutilated, but only upon surrender to the City Clerk of the Note so mutilated. Every mutilated Note so surrendered to the City Clerk shall be canceled and delivered to, or upon the order of, the City. If any Note shall be lost, destroyed or stolen, evidence of such loss, destruction or theft may be submitted to the City and, if such evidence be satisfactory to the City and indemnity satisfactory to it shall be given, the City, at the expense of the owner, shall execute and deliver a new Note of like maturity and principal amount in lieu of and in substitution for the Note so lost, destroyed or stolen. The City may require payment of a sum not exceeding the actual cost of preparing each new Note issued under this Section 13 and of the expenses which may be incurred by the City in the premises. Any Note issued under the provisions of this Section 13 in lieu of any Note alleged to

be lost, destroyed or stolen shall constitute an original additional contractual obligation on the part of the City whether or not the Note so alleged to be lost, destroyed or stolen be at any time enforceable by anyone, and shall be equally and proportionately entitled to the benefits of this Resolution with all other Notes issued pursuant to this Resolution.

*Section 14. Covenants and Warranties.* It is hereby covenanted and warranted by the City that all representations and recitals contained in this Resolution are true and correct, and that the City and its appropriate officials have duly taken all proceedings necessary to be taken by them, and will take any additional proceedings necessary to be taken by them, for the prompt collection and enforcement of the taxes, income, revenue, cash receipts and other moneys pledged hereunder in accordance with law and for carrying out the provisions of this Resolution.

*Section 15. Tax Covenants.*

(a) *No Arbitrage.* The City shall not take, nor permit nor suffer to be taken any action with respect to the proceeds of the Notes which, if such action had been reasonably expected to have been taken, or had been deliberately and intentionally taken, on the date of issuance of the Notes (the "Closing Date") would have caused the Notes to be "arbitrage bonds" within the meaning of section 148 of the Internal Revenue Code of 1986 (the "Code").

(b) *Rebate Requirement.* The City shall take any and all actions necessary to assure compliance with section 148(f) of the Code, relating to the rebate of excess investment earnings, if any, to the federal government.

(c) *Private Activity Note Limitation.* The City shall assure that proceeds of the Notes are not so used as to cause the Notes to satisfy the private business tests of section 141(b) of the Code.

(d) *Private Loan Financing Limitation.* The City shall assure that proceeds of the Notes are not so used as to cause the Notes to satisfy the private loan financing test of section 141(c) of the Code.

(e) *Federal Guarantee Prohibition.* The City shall not take any action or permit or suffer any action to be taken if the result of the same would be to cause any of the Notes to be "federally guaranteed" within the meaning of section 149(b) of the Code.

(f) *Maintenance of Tax-Exemption.* The City shall take all actions necessary to assure the exclusion of interest on the Notes from the gross income of the owners of the Notes to the same extent as such interest is permitted to be excluded from gross income under the Code as in effect on the Closing Date.

*Section 16. Official Statement.* The City Council hereby approves the Official Statement describing the Notes, in substantially the form on file with the City Clerk, together with any changes therein or additions thereto deemed advisable by an Authorized Officer. The City Council authorizes and directs an Authorized Officer on behalf of the City to deem "final" pursuant to Rule 15c2-12 under the Securities Exchange Act of 1934 (the "Rule") the Official Statement prior to its distribution. The execution of the Official Statement, which shall include such changes and additions thereto deemed advisable by an Authorized Officer and such information permitted to be excluded from the Official Statement pursuant to the Rule, shall be conclusive evidence of the approval of the Official Statement by the City.

An Authorized Officer is authorized and directed to execute the Official Statement and a statement that the facts contained in the Official Statement, and any supplement or amendment thereto (which shall be deemed an original part thereof for the purpose of such statement) were, at the time of sale of the Notes, true and correct in all material respects and that the Official Statement did not, on the date of sale of the Notes, and does not, as of the date of delivery of the Notes, contain any untrue statement of a material fact with respect to the City or omit to state material facts with respect to the City required to be stated where necessary to make any statement made therein not misleading in the light of the circumstances under which it was made. An Authorized Officer shall take such further actions prior to the signing of the Official Statement as are deemed necessary or appropriate to verify the accuracy thereof. The Official Statement is approved for distribution in the offering and sale of the Notes.

*Section 17. Sale of Notes.* An underwriter (the "Underwriter") to be designated by an Authorized Officer will purchase the Notes. An Authorized Officer is hereby authorized to designate the Underwriter, in consultation with the City's municipal advisor, NHA Advisors, LLC (the "Municipal Advisor") in one of the following ways:

(a) *Limited Negotiated.* An Authorized Officer may direct the Municipal Advisor to contact a limited number of Underwriters and negotiate the sale of the Notes. An Authorized Officer is hereby authorized to cause Jones Hall, A Professional Law Corporation, as bond counsel to the City ("Bond Counsel"), to prepare and to execute and deliver a Note Purchase Agreement in connection with a negotiated sale of the notes in such form (including designation of the Underwriter) as an Authorized Officer shall approve, such approval to be conclusively evidenced by his or her execution and delivery thereof.

(b) *Public Sale.* An Authorized Officer, in consultation with the Municipal Advisor, may determine to sell the Notes by competitive bid and award the sale of the Notes as set forth in an Official Notice of Sale (the "Official Notice of Sale"), the form of which is attached to this Resolution and is hereby approved, and which Bond Counsel is hereby authorized to finalize, consistent with this Resolution. If an Authorized Officer determines to proceed with a competitive bid, (a) Bond Counsel is hereby directed to arrange for the publication of a notice of intention of the sale of the Notes in accordance with Section 53692 of the Government Code and (b) an Authorized Officer is hereby directed to execute the Official Notice of Sale; to open the bids at the time and place specified in the Official Notice of Sale; to receive and record the receipt of all bids made pursuant to the Official Notice of Sale; to cause said bids to be examined for compliance with the Official Notice of Sale; to cause computations to be made as to which bidder has bid the lowest true interest cost, as provided in the Official Notice of Sale; to announce the bidder of the lowest true interest cost; and to award the sale to said bidder.

An Authorized Officer is further authorized to determine the maximum principal amount of the Notes and the maximum interest rate on the Notes not to exceed the maximum principal amount and interest rate set forth in Section 2.

*Section 18. Engagement of Professional Services.* The City hereby approves the engagement of Jones Hall, A Professional Law Corporation as Bond Counsel and Disclosure Counsel and NHA Advisors, LLC as Municipal Advisor to the City in connection with the issuance and sale of the Notes. The City Attorney is authorized to execute a legal services agreement with

Jones Hall, with Jones Hall's compensation to be contingent upon issuance of the Notes, and Jones Hall's compensation is not set by law but is negotiable.

Section 19. Preparation of Notes; Official Action. Jones Hall, A Professional Law Corporation, as bond counsel, is directed to cause suitable Notes to be prepared showing on their face that the same bear interest at the rate specified in the offer submitted by the successful bidder or bidders, and to cause the blank spaces therein to be filled in to comply with the provisions of this Resolution, and to procure their execution by the proper officers, and to cause the Notes to be delivered when so executed to DTC on behalf of the successful bidder or bidders therefor upon the receipt of the purchase price by the City Treasurer in accordance with such successful bid or bids.

An Authorized Officer is further authorized and directed to make, execute and deliver such certificates, agreements and other closing documents as are necessary to consummate the transactions contemplated by this Resolution.

Section 20. Effective Date. This Resolution shall take effect upon its adoption.

The foregoing Resolution was adopted by the Berkeley City Council on [ ], 2025 by the following vote:

Ayes:

Noes:

Absent:

\_\_\_\_\_  
Adena Ishii, Mayor

Attest: \_\_\_\_\_  
City Clerk



to pay interest as due on the Notes at their maturity, in the month of June 2026 (such pledged amounts being hereinafter called the "Pledged Revenues"). The principal of the Notes and the interest thereon shall constitute a first lien and charge thereon and shall be payable from the Pledged Revenues. To the extent not so paid from the Pledged Revenues, the Notes shall be paid from any other moneys of the City lawfully available therefor. In the event that there are insufficient "unrestricted moneys" received by the City to permit the deposit into the Special Account (as hereinafter defined) of the full amount of the Pledged Revenues to be deposited in any month by the last business day of such month, then the amount of any deficiency shall be satisfied and made up from any other moneys of the City lawfully available for the repayment of the Notes and interest thereon. The term "unrestricted moneys" shall mean taxes, income, revenue, cash receipts, and other moneys received by the City for the General Fund of the City for Fiscal Year 2025-26 and which are generally available for the payment of current expenses and other obligations of the City.

The Notes are issuable as fully registered Notes, without coupons, in denominations of \$5,000 and any integral multiple thereof. Subject to the limitations and conditions as provided in the Resolution, Notes may be exchanged for a like aggregate principal amount of Notes of other authorized denominations and of the same maturity.

The Notes are not subject to redemption prior to maturity.

This Note is transferable by the Owner hereof, but only under the circumstances, in the manner and subject to the limitations provided in the Resolution. Upon registration of such transfer a new Note or Notes, of authorized denomination or denominations, for the same aggregate principal amount and of the same maturity will be issued to the transferee in exchange herefor.

The City may treat the Owner hereof as the absolute owner hereof for all purposes, and the City shall not be affected by any notice to the contrary.

Unless this Note is presented by an authorized representative of The Depository Trust Company to the issuer or its agent for registration of transfer, exchange or payment, and any certificate issued is registered in the name of Cede & Co. or such other name as requested by an authorized representative of The Depository Trust Company and any payment is made to Cede & Co., ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL since the registered owner hereof, Cede & Co., has an interest herein.

IN WITNESS WHEREOF, the City of Berkeley has caused this Note to be executed by the City Manager and countersigned by the City Clerk of the City, all as of the Issue Date stated above.

CITY OF BERKELEY

By \_\_\_\_\_  
City Manager

Countersigned:

By \_\_\_\_\_  
City Clerk

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## OFFICIAL NOTICE OF SALE

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### 2025-26 TAX AND REVENUE ANTICIPATION NOTES

**\$58,500,000\***  
**City of Berkeley**  
**(Alameda County, California)**

**NOTICE IS HEREBY GIVEN** that electronic bid proposals (see "TERMS OF SALE --- Electronic Bids" below) for the purchase of the captioned notes (the "Notes") will be received by the City Berkeley, California (the "City"), through BiDCOMP™/Parity® ("Parity") on:

**[WEDNESDAY, JULY 16], 2025**

between 8:15 a.m. and 8:45 a.m. California Time.

Further information may be obtained from the municipal advisor to the City, NHA Advisors, 4040 Civic Center Drive, Suite 200, San Rafael, California 94903, Attn: Rob Schmidt, telephone: (415) 785-2025 ext. 2006, email: rob@NHAadvisors.com.

**POSTPONEMENT:** The City reserves the right to postpone or change the time or sale date upon notice delivered via Bloomberg News Service or London Stock Exchange Group ("LSEG") The Municipal Market Monitor ("TM3").

**ISSUE AND DENOMINATION; BOOK ENTRY ONLY SYSTEM; CUSIP NUMBER:** The Notes consist of fully registered notes, without coupons. The Notes will be issued in minimum denominations of \$5,000. The Notes will be issued in a book entry only system with no physical distribution of the Notes made to the public. The Depository Trust Company, New York, New York ("DTC"), will act as depository for the Notes, which will be immobilized in its custody. The Notes will be registered in the name of Cede & Co., as nominee for DTC, on behalf of the participants in the DTC system and the subsequent beneficial owners of the Notes. Pursuant to MSRB Rule G-34, the City's Municipal Advisor will apply for CUSIP number assignment prior to the award of the issue, but the cost shall be payable by the underwriter.

**DATE AND MATURITY:** The Notes will be dated the date of delivery (expected to be [July 29], 2025), and will mature on [July 28], 2026 (the "Maturity Date").

**INTEREST RATE:** The maximum interest rate bid for the Notes may not exceed eight percent (8.0%) per annum, payable upon maturity of the Notes. Bidders must specify the rate of interest which the Notes shall bear, provided that: (i) bids must be for all Notes; and (ii) the Notes shall bear interest from its date to its stated maturity at the interest rate specified in the bid.

**REDEMPTION:** The Notes are not subject to call and redemption prior to maturity.

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\* Preliminary, subject to change

**PAYMENT:** Both principal of and interest on the Notes will be payable on the Maturity Date, in lawful money of the United States of America, to DTC which will immediately credit the account of the successful bidder or bidders as participants in the DTC system.

**PURPOSE OF ISSUE:** The Notes are to be issued by the City and are authorized pursuant to the provisions of Article 7.6 (commencing with Section 53850) of Chapter 4 of Part 1 of Division 2 of Title 5 of the California Government Code and the provisions of resolutions of the City for any purpose for which the City is authorized to expend moneys.

**SECURITY:** The Notes are an obligation of the City and are secured by a pledge of and first lien and charge against the first “unrestricted moneys,” as hereinafter defined, to be received by the City, (a) in an amount equal to 50% of the principal amount of the Notes to be received by the City in January 2026, (b) in an amount equal to 50% of the principal amount of the Notes to be received by the City in May 2026, and (c) in an amount equal to all interest due on the Notes at maturity to be received by the City in June 2026. The term “unrestricted moneys” mean taxes, income, revenue and other moneys intended as receipts for the general fund of the City and which are generally available for the payment of current expenses and other obligations of the City.

Said pledged moneys shall be deposited by the City in a special fund established, created and maintained by the City. Moneys shall be withdrawn from said fund for the sole purpose of paying the principal of and the interest on the Notes at their maturity.

By statute, the Notes are declared to be general obligations of the City, and to the extent not paid from said pledged moneys shall be paid, with the interest thereon, from any other moneys of the City lawfully available therefor. Under provisions of the California Constitution, the City is generally prohibited from incurring any indebtedness or liability exceeding in any year the income and revenue provided for such year, without the assent of two-thirds of its qualified electors voting at an election called for such purpose.

**RATING:** S&P Global Ratings, a business unit of Standard & Poor’s Financial Services LLC, has given the Notes a rating of “[SP-1+]”.

## TERMS OF SALE

**BEST BID:** *Bids must be for all of the Notes.* The Notes will be awarded on the basis of the lowest true interest cost including premium offered in the proposals. No bid for less than par will be entertained. In the event two or more bids setting forth identical interest rates and premium per dollar principal amount, if any, and aggregating a principal amount in excess of the principal amount of unawarded Notes are received, the City's Finance Director, pursuant to delegation by the Council, reserves the right to exercise his discretion and judgment in making the award and may award the Notes on a pro rata basis in such denominations as he shall determine.

**ELECTRONIC BIDS:** Solely as an accommodation to bidders, the City will accept bids in electronic form solely from Ipreo, a KKR portfolio company, through its BiDCOMP Competitive Bid Calculation System and Parity Electronic Bid Submission System ("Ipreo"). For information about Ipreo, bidders may contact Ipreo at 395 Hudson Street, New York, New York 10014, telephone (212) 849-5023. If any provision of this Notice of Sale conflicts with information provided by Ipreo, this Notice of Sale shall control. Each bidder submitting an electronic bid understands and agrees by doing so that it is solely responsible for all arrangements with Ipreo, that the City does not encourage the use of Ipreo, and that Ipreo is not acting as an agent of the City. Instructions for submitting electronic bids must be obtained from Ipreo, and the City does not assume any responsibility for ensuring or verifying bidder compliance with Ipreo procedures. Ipreo has advised the City that bidders must subscribe to Ipreo if such bidders intend to use Ipreo to submit bids. The City shall be entitled to assume that any bid received via Ipreo has been made by a duly authorized agent of the bidder.

Neither the City, the Municipal Advisor nor Bond Counsel has any responsibility for proper functioning of the Ipreo system, for any error contained in any bid submitted electronically, or for failure of any bid to be transmitted, received or opened at the official time for receipt of bids. The official time for receipt of bids will be determined by the City at the place of bid opening, and the City will not be required to accept the time kept by Parity as the official time. The City assumes no responsibility for informing any bidder prior to the deadline for receiving bids that its bid is incomplete, or not received.

**PROMPT AWARD:** The City Representative, pursuant to delegation by the City, will take action awarding the sale of the Notes or reject all bids not later than forty-eight (48) hours after the expiration of time herein prescribed for the receipt of bids and until such expiration of time all bids received shall be irrevocable. Unless such time of award is waived by the successful bidder, the award may be made after the expiration of the specified time if the bidder shall not have given to the City representative notice in writing of the withdrawal of such proposal. Notice of the award will be given promptly to the successful bidder.

**ESTABLISHMENT OF ISSUE PRICE:** (a) The winning bidder shall assist the City in establishing the issue price of the Notes and shall execute and deliver to the City at closing an "issue price" or similar certificate setting forth the reasonably expected initial offering price to the public of the Notes, together with the supporting pricing wires or equivalent communications, substantially in the form attached hereto as Exhibit 1, with such modifications as may be appropriate or necessary, in the reasonable judgment of the winning bidder, the City and Bond Counsel. All actions to be taken by the City under this Notice of Sale to establish the issue price of the Notes may be taken on behalf of the City by the City's municipal advisor identified herein and any notice or report to be provided to the City may be provided to the City's municipal advisor.

(b) The City intends that the provisions of Treasury Regulation Section 1.148-1(f)(3)(i) (defining "competitive sale" for purposes of establishing the issue price of the Notes) will apply to the initial sale of the Notes (the "competitive sale requirements") because:

- (1) the City shall disseminate this Notice of Sale to potential underwriters in a manner that is reasonably designed to reach potential underwriters;
- (2) all bidders shall have an equal opportunity to bid;
- (3) the City may receive bids from at least three underwriters of municipal bonds who have established industry reputations for underwriting new issuances of municipal bonds; and
- (4) the City anticipates awarding the sale of the Notes to the bidder who submits a firm offer to purchase the Notes at the highest price (or lowest interest cost), as set forth in this Notice of Sale.

Any bid submitted pursuant to this Notice of Sale shall be considered a firm offer for the purchase of the Notes, as specified in the bid. **By submitting a bid for the Notes, each bidder certifies that it has an established industry reputation for underwriting new issuances of municipal bonds.** The City will not accept bids from firms without an established industry reputation for underwriting new issuances of municipal bonds.

(c) In the event the City receives less than three bids that conform to the parameters contained herein such that the competitive sale requirements are not satisfied, the City intends to treat the initial offering price of the Notes set forth in the bid submitted by the winning bidder (the "initial offering price") as the issue price of the Notes (the "hold-the-offering-price rule"). Consequently, each bidder should assume for purposes of making its bid that the City will treat the initial offering price of the Notes as of the date that the Notes are awarded by the City to the successful bidder ("sale date") as the issue price of the Notes. The City will advise the winning bidder within one hour of receipt of bids if the hold-the-offering-price rule will apply. In the event that the competitive sale requirements are not satisfied and issue price is established pursuant to the hold-the-offering-price rule, the issue price certificate shall be modified as necessary in the reasonable judgment of Bond Counsel and the City.

(d) By submitting a bid, the successful bidder shall, on behalf of the underwriters participating in the purchase of the Notes, (i) confirm that the underwriters have offered or will offer the Notes to the public on or before the sale date at the initial offering price set forth in the bid submitted by the winning bidder, and (ii) agree that the underwriters will neither offer nor sell the Notes to any person at a price that is higher than the initial offering price for the Notes during the period starting on the sale date and ending on the earlier of the following:

- (1) the close of the fifth business day after the sale date; or
- (2) the date on which the underwriters have sold at least 10% of the Notes to the public at a price that is no higher than the initial offering price for the Notes.

The winning bidder shall promptly advise the City when the underwriters have sold 10% of the Notes to the public at a price that is no higher than the initial offering price if that occurs prior to the close of the fifth (5th) business day after the sale date.

(e) The City acknowledges that, in making the representation set forth above, the successful bidder will rely on (i) the agreement of each underwriter to comply with the hold-the-offering-price rule, as set forth in an agreement among underwriters and the related pricing wires, (ii) in the event a selling group has been created in connection with the initial sale of the Notes to the public, the agreement of each dealer who is a member of the selling group to comply with the hold-the-offering-price rule, as set forth in a selling group agreement and the related pricing wires, and (iii) in the event that an underwriter is a party to a retail distribution agreement that was

employed in connection with the initial sale of the Notes to the public, the agreement of each broker-dealer that is a party to such agreement to comply with the hold-the-offering-price rule, as set forth in the retail distribution agreement and the related pricing wires. The City further acknowledges that each underwriter shall be solely liable for its failure to comply with its agreement regarding the hold-the-offering-price rule and that no underwriter shall be liable for the failure of any other underwriter, or of any dealer who is a member of a selling group, or of any broker-dealer that is a party to a retail distribution agreement to comply with its corresponding agreement regarding the hold-the-offering-price rule as applicable to the Notes.

(f) By submitting a bid, each bidder confirms that:

(1) any agreement among underwriters, any selling group agreement and each retail distribution agreement (to which the bidder is a party) relating to the sale of the Notes to the public, together with the related pricing wires, contains or will contain language obligating each underwriter, each dealer who is a member of the selling group, and each broker-dealer that is a party to such retail distribution agreement, as applicable, to

(A) report the prices at which it sells to the public the Notes until it is notified by the successful bidder that either the 10% test has been satisfied as to the Notes or all Notes have been sold to the public and

(B) comply with the hold-the-offering-price rule, if and for so long as directed by the successful bidder and in the related pricing wires, and

(2) any agreement among underwriters relating to the sale of the Notes to the public, together with the related pricing wires, contains or will contain language obligating each underwriter that is a party to a retail distribution agreement to be employed in connection with the initial sale of the Notes to the public to require each broker-dealer that is a party to such retail distribution agreement to

(A) report the prices at which it sells to the public the unsold Notes allotted to it until it is notified by the successful bidder or such underwriter that either the 10% test has been satisfied as to the Notes or all the Notes have been sold to the public and

(B) comply with the hold-the-offering-price rule, if and for so long as directed by the successful bidder or such underwriter and as set forth in the related pricing wires.

Sales of any Notes to any person that is a related party to an underwriter shall not constitute sales to the public for purposes of this Official Notice of Sale.

(g) For purposes of this Official Notice of Sale:

(1) "public" means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an underwriter or a related party,

(2) "underwriter" means (A) any person that agrees pursuant to a written contract with the City (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Notes to the public and (B) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) to participate in the initial sale of the Notes to the public (including a member of a selling

group or a party to a retail distribution agreement participating in the initial sale of the Notes to the public),

(3) a purchaser of any of the Notes is a "related party" to an underwriter if the underwriter and the purchaser are subject, directly or indirectly, to (A) at least 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (B) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (C) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other), and

In addition, the City reserves the right to cancel the public sale of the Notes if the City receives fewer than three bids that conform to the parameters contained herein such that the competitive sale requirements are not satisfied.

**NO GOOD FAITH DEPOSIT:** The City is not requiring the successful bidder to submit a good faith deposit.

**DELIVERY AND PAYMENT:** It is estimated that the delivery of the Notes will be made to DTC for the account of the successful bidders on or about [July 29], 2025. Payment of the purchase price must be made in funds immediately available to the City by wire transfer or other means acceptable to the City.

**RIGHT OF REJECTION:** The City reserves the right, in its sole discretion, to reject any and all bids for the Notes and to waive any irregularity or informality in any bid.

**CHANGE IN TAX EXEMPT STATUS:** At any time before the Notes are tendered for delivery, any successful bidder may disaffirm and withdraw its proposal if the interest received by private holders from notes of the same type and character shall be declared to be taxable income under present federal income tax laws, either by ruling of the Internal Revenue Service or by a decision of any federal court, or shall be declared taxable or be required to be taken into account in computing any federal income taxes by the terms of any federal income tax law enacted subsequent to the date of this notice.

**CONTINUING DISCLOSURE:** In order to assist bidders in complying with S.E.C. Rule 15c2-12(b)(5), the City will undertake, pursuant to separate Continuing Disclosure Certificates, to provide notices of the occurrence of certain events, if material. A description of these undertakings is set forth in the preliminary official statement relating to the Notes (the "POS") and will also be set forth in a final official statement relating to the Notes (the "OS").

**ACKNOWLEDGMENT OF NO FIDUCIARY DUTY:** At closing, the City will execute a certificate to the effect that it acknowledges and agrees that (i) the purchase and sale of the Notes by the winning bidder (the "Purchaser") is an arm's-length commercial transaction between the City and the Purchaser, (ii) in connection with such transaction, the Purchaser is acting solely as a principal and not as an advisor, (including, without limitation, a Municipal Advisor (as such term is defined in Section 975(e) of the Dodd-Frank Wall Street Reform and Consumer Protection Act)), agent or a fiduciary of the City, (iii) the Purchaser has not assumed (individually or collectively) a fiduciary responsibility in favor of the City with respect to the offering of the Notes or the process leading thereto (whether or not the Purchaser, or any affiliate of an Purchaser, has advised or is currently advising the City on other matters) or any other obligation to the City except the obligation to purchase the Notes, (iv) the Purchaser has financial and other interests that differ

from those of the City and (v) the City has consulted with its own legal and municipal advisors to the extent it deemed appropriate in connection with the offering of the Notes.

**CLOSING PAPERS; LEGAL OPINION:** Each proposal will be conditioned upon the City furnishing to each successful bidder, without charge, concurrently with payment for and delivery of the Notes, the following closing papers, each dated the date of such delivery:

(a) The opinion of Bond Counsel, approving the validity of the Notes and stating that, subject to certain qualifications, under existing law, the interest on the Notes is (i) excluded from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax, although interest on the Notes may be subject to the corporate alternative minimum tax, and (ii) exempt from State of California personal income taxes. A copy of Bond Counsel's opinion will be delivered with the Notes without cost to the purchaser.

(b) A certificate of the Finance Director or other appropriate official of the City that on the basis of the facts, estimates and circumstances in existence on the date of issue, it is not expected that the proceeds of the Notes will be used in a manner that would cause the Notes to be "arbitrage bonds" within the meaning of the Code;

(c) A certificate on behalf of the City that there is no litigation threatened or pending affecting the validity of the Notes;

(d) A certificate of the Finance Director or other appropriate official of the City, acting on behalf of the City solely in his or her official and not in his or her personal capacity, that at the time of the sale of the Notes and at all times subsequent thereto up to and including the time of the delivery of the Notes to the initial purchasers thereof, the OS did not, and does not, contain any untrue statement of a material fact or omit to state a material fact necessary which would make the statements misleading in the light of the circumstances under which they were made;

(e) The signature certificate of the officials of the City, showing that they have signed the Notes and impressed the seal of the City thereon, and that they were respectively duly authorized to execute the same; and

(f) The receipt of the City showing that the purchase price of the Notes has been received.

**OFFICIAL STATEMENT:** The City has approved a preliminary Official Statement relating to the Notes. Copies of such preliminary Official Statement will be distributed to any bidder, upon request, prior to the sale in a form "deemed final" by the City for purposes of Rule 15c2-12 under the Securities Exchange Act of 1934 (the "Rule"). Within seven business days from the sale date, the City will deliver to the purchaser copies of the final Official Statement, executed by an authorized representative of the City and dated the date of delivery thereof to the purchaser, in sufficient number to allow the purchaser to comply with paragraph (b)(4) of the Rule and to satisfy the Municipal Securities Rulemaking Board (the "MSRB") Rule G-32 or any other applicable rules adopted by the MSRB, which shall include information permitted to be omitted by paragraph (b)(1) of the Rule and such other amendments or supplements as shall have been approved by the City (the "Final Official Statement"). The purchaser agrees that it will not confirm the sale of any Notes unless the confirmation of sale is accompanied or preceded by the delivery of a copy of the Final Official Statement. The City will furnish to the successful bidder, at no charge, an electronic copy of the Official Statement for use in connection with any resale of the Notes, and up to 10 printed copies upon request.

A letter of Jones Hall, A Professional Law Corporation, San Francisco, California, as disclosure counsel, will be addressed to the City and to the successful bidder, stating that, without passing upon or assuming any responsibility for the accuracy, completeness of fairness of the

statements contained in the final Official Statement and making no representations that they have independently verified the accuracy, completeness or fairness of an such statements, based upon the information made available to them in the course of their participation in the preparation of the final Official Statement, nothing has come to such counsel's attention which would lead them to believe that the final Official Statement, including the cover page and all appendices thereto (but excluding therefrom financial statements and statistical data, and information regarding The Depository Trust Company, and its book entry system, as to which no opinion need be expressed) contains an untrue statement of a material fact or omits to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading

GIVEN pursuant to a resolution of the City adopted [June 24], 2025.

Dated: [June 25], 2025

EXHIBIT 1  
Issue Price Certificate

\$ \_\_\_\_\_  
CITY OF BERKELEY  
2025-26 TAX AND REVENUE ANTICIPATION NOTES

The undersigned, on behalf of [NAME OF UNDERWRITER] (“Underwriter”), hereby certifies as set forth below with respect to the sale of the above-captioned obligations (the “Notes”).

1. **Reasonably Expected Initial Offering Price.**

(a) As of the Sale Date, the reasonably expected initial offering prices of the Notes to the Public by Underwriter are the prices listed in Schedule A (the “Expected Offering Prices”). The Expected Offering Prices are the prices for the Notes used by the Underwriter in formulating its bid to purchase the Notes. Attached as Schedule B is a true and correct copy of the bid provided by Underwriter to purchase the Notes.

(b) Underwriter was not given the opportunity to review other bids prior to submitting its bid.

(c) The bid submitted by Underwriter constituted a firm offer to purchase the Notes.

2. **Defined Terms.**

(a) *Issuer* means the City of Berkeley.

(a) Reserved.

(b) *Public* means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a related party to an Underwriter. The term “related party” for purposes of this certificate generally means any two or more persons who have greater than 50 percent common ownership, directly or indirectly.

(c) *Sale Date* means the first day on which there is a binding contract in writing for the sale of the Notes. The Sale Date of the Notes is [July 16], 2025.

(d) *Underwriter* means (i) any person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Notes to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Notes to the Public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Notes to the Public).

The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents Underwriter's interpretation of any laws, including specifically Sections 103 and 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder. The undersigned understands that the foregoing information will be relied upon by the Issuer with respect to certain of the representations set forth in the Certificate of Arbitrage and with respect to compliance with the federal income tax rules affecting the Notes, and by Jones Hall, A Professional Law Corporation in connection with rendering its opinion that the interest on the Notes is excluded from gross income for federal income tax purposes, the preparation of the Internal Revenue Service Form 8038-G, and other federal income tax advice that it may give to the Issuer from time to time relating to the Notes.

**[UNDERWRITER]**

By: \_\_\_\_\_

Name: \_\_\_\_\_

**Dated: [ISSUE DATE]**

SCHEDULE A

EXPECTED OFFERING PRICES

| <u>Maturity<br/>Date</u> | <u>Principal<br/>Amount</u><br>\$ | <u>Interest<br/>Rate</u><br>% | <u>Reoffering<br/>Price</u> * |
|--------------------------|-----------------------------------|-------------------------------|-------------------------------|
|--------------------------|-----------------------------------|-------------------------------|-------------------------------|

\*

Stated as a percentage of par.

**SCHEDULE B**  
**COPY OF UNDERWRITER'S BID**  
(attached)

**NEW ISSUE BOOK-ENTRY ONLY**

**RATING**  
S&P: "\_\_\_\_"  
See "RATING."

*In the opinion of Jones Hall, A Professional Law Corporation, San Francisco, California, Bond Counsel, subject, however to certain qualifications described in this Official Statement, under existing law, interest on the Notes is excluded from gross income for federal income tax purposes, and such interest is not an item of tax preference for purposes of the federal alternative minimum tax. In the further opinion of Bond Counsel, interest on the Notes is exempt from California personal income taxes. See "TAX MATTERS."*



**\$58,500,000\***  
**CITY OF BERKELEY**  
**2025-26 TAX AND REVENUE ANTICIPATION NOTES**

**Dated: Date of Delivery**

**Due: \_\_\_\_\_, 2026**

The tax and revenue anticipation notes captioned above (the "Notes") will be issued in denominations of \$5,000 or any integral multiple thereof. Principal and interest on the Notes will be payable upon maturity. The Notes are to be delivered as fully registered Notes, without coupons and, when delivered, will be registered in the name of Cede & Co., as nominee of The Depository Trust Company ("DTC"), New York, New York (as described in APPENDIX E – BOOK-ENTRY ONLY SYSTEM). DTC will act as securities depository of the Notes. Purchases will be made in book-entry form only, in the principal amount of \$5,000 or any integral multiple thereof. **The Notes are not subject to redemption prior to maturity.**

The Notes are by statute general obligations of the City of Berkeley, California (the "City"), payable solely from taxes, income, revenues, cash receipts and other moneys that are received by the City for its General Fund for fiscal year 2025-26 and that are generally available for the payment of current expenses and other obligations of the City (the "Unrestricted Moneys"). The Notes are secured by a pledge of Unrestricted Moneys to be received by the City in (a) an amount equal to fifty percent (50%) of the principal amount of the Notes in the month of January 2026; (b) an amount equal to fifty percent (50%) of the principal amount of the Notes in the month of May 2026; and (c) an amount sufficient to pay interest as due on the Notes at their maturity, in the month of June 2026 (such pledged amounts being hereinafter called the "Pledged Revenues"). The Pledged Revenues will be deposited into, and held by the City in, a special fund designated "City of Berkeley, California, 2025-26 Tax and Revenue Anticipation Notes Special Account," as established in the City's Resolution adopted on June 24, 2025.

Principal of and interest on the Notes are payable in lawful moneys of the United States of America upon maturity, and interest on the Notes will be computed on the basis of a 360-day year comprised of twelve 30-day months and accrues from the date of delivery.

The Notes are legal investments for commercial banks in California and are eligible to secure deposits of public moneys in California.

THIS COVER PAGE CONTAINS CERTAIN INFORMATION FOR QUICK REFERENCE ONLY. IT IS NOT A SUMMARY OF THIS ISSUE. INVESTORS MUST READ THE ENTIRE OFFICIAL STATEMENT TO OBTAIN INFORMATION ESSENTIAL TO THE MAKING OF AN INFORMED INVESTMENT DECISION.

The following firm, serving as municipal advisor to the City, has structured this issue.



**MATURITY SCHEDULE**

**Interest Rate**

**Reoffering Yield**

**CUSIP†**

*The Notes are offered when, as and if issued and received by the Purchaser, subject to the approval of legality by Jones Hall, A Professional Law Corporation, San Francisco, California, Bond Counsel. Certain legal matters will be passed upon for the City by Jones Hall, A Professional Law Corporation, as Disclosure Counsel, and by the City Attorney. It is anticipated that the Notes, in definitive form, will be available for delivery through DTC in New York, New York on or about July 29, 2025.*

Dated July \_\_, 2025

\* Preliminary; subject to change.

This Preliminary Official Statement and the information contained herein are subject to completion or amendment. Under no circumstances shall this Preliminary Official Statement constitute an offer to sell or a solicitation of an offer to buy nor shall there be any sale of these securities in any jurisdiction in which such offer solicitation or sale would be unlawful prior to registration or qualification under the securities laws of such jurisdiction.

## GENERAL INFORMATION ABOUT THIS OFFICIAL STATEMENT

No dealer, broker, salesman or other person has been authorized by the City to give any information or to make any representations with respect to the Notes other than those contained in this Official Statement and, if given or made, such information or representation must not be relied upon as having been authorized by the City. This Official Statement does not constitute an offer to sell nor the solicitation of an offer to buy, nor shall there be any sale of the Notes by any person to make such offer, solicitation or sale.

This Official Statement is not to be construed as a contract with the purchasers of the Notes. Statements contained in this Official Statement which involve estimates, forecasts or matters of opinion, whether or not expressly so described herein, are intended solely as such and are not to be construed as a representation of facts.

The information set forth in this Official Statement has been obtained from sources that are believed to be reliable, but is not guaranteed as to accuracy or completeness, and is not to be construed as a representation by the Purchaser. The information and expressions of opinion stated in this Official Statement are subject to change without notice and neither delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the information or opinions set forth herein or in the affairs of the City since the date hereof. This Official Statement is submitted in connection with the sale of the Notes referred to herein and may not be reproduced or used, in whole or in part, for any purpose, unless authorized in writing by the City.

The Notes have not been registered under the Securities Act of 1933, as amended (the "**Securities Act**"), in reliance upon an exemption contained in such Act. The Notes have not been registered under the securities laws of any state.

IN CONNECTION WITH THIS OFFERING, THE PURCHASER MAY OVERALLOT OR EFFECT TRANSACTIONS THAT STABILIZE OR MAINTAIN THE MARKET PRICE OF THE NOTES AT LEVELS ABOVE THOSE WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME. THE PURCHASER MAY OFFER AND SELL THE NOTES TO CERTAIN DEALERS AND BANKS AT PRICES LOWER THAN THE PUBLIC OFFERING PRICE STATED ON THE COVER PAGE HEREOF AND SAID PUBLIC OFFERING PRICE MAY BE CHANGED FROM TIME TO TIME BY THE PURCHASER.

Certain statements included or incorporated by reference in this Official Statement constitute "forward-looking statements" within the meaning of the United States Private Securities Litigation Reform Act of 1995, Section 21E of the Securities Exchange Act of 1934, as amended, and Section 27A of the Securities Act. Such statements are generally identifiable by the terminology used such as "plan," "expect," "estimate," "budget" or other similar words.

The Purchaser has provided the following sentence for inclusion in this Official Statement. The Purchaser has reviewed the information in this Official Statement in accordance with, and as part of, its responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Purchaser does not guarantee the accuracy or completeness of such information.

THE ACHIEVEMENT OF CERTAIN RESULTS OR OTHER EXPECTATIONS CONTAINED IN SUCH FORWARD-LOOKING STATEMENTS INVOLVE KNOWN AND UNKNOWN RISKS, UNCERTAINTIES AND OTHER FACTORS WHICH MAY CAUSE ACTUAL RESULTS, PERFORMANCE OR ACHIEVEMENTS DESCRIBED TO BE MATERIALLY DIFFERENT FROM ANY FUTURE RESULTS, PERFORMANCE OR ACHIEVEMENTS EXPRESSED OR IMPLIED BY SUCH FORWARD-LOOKING STATEMENTS. THE CITY DOES NOT PLAN TO ISSUE ANY UPDATES OR REVISIONS TO THOSE FORWARD-LOOKING STATEMENTS IF OR WHEN ITS EXPECTATIONS, OR EVENTS, CONDITIONS OR CIRCUMSTANCES ON WHICH SUCH STATEMENTS ARE BASED OCCUR.

Although the City maintains an internet website for various purposes, none of the information on that website is incorporated by reference in this Official Statement or is intended to assist investors in making any investment decision or to provide any continuing information with respect to the Notes or any other bonds or obligations of the City.

## CITY OF BERKELEY, CALIFORNIA

### ELECTED OFFICIALS

Adena Ishii, Mayor  
Rashi Kesarwani, Councilmember District 1  
Terry Taplin, Councilmember District 2  
Ben Bartlett, Councilmember District 3  
Igor Tregub, Councilmember District 4  
Shoshana O'Keefe, Councilmember District 5  
Brent Blackaby, Councilmember District 6  
Cecilia Lunaparra, Councilmember District 7  
Mark Humbert, Councilmember District 8

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### CITY OFFICIALS

Paul Buddenhagen  
City Manager

David White  
Deputy City Manager

Henry Oyekanmi  
Director of Finance

Farimah Brown  
City Attorney

Jenny Wong  
*City Auditor*

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### PROFESSIONAL SERVICES

#### Municipal Advisor

NHA Advisors, LLC  
San Rafael, California

#### Bond Counsel and Disclosure Counsel

Jones Hall, A Professional Law Corporation  
San Francisco, California

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**OFFICIAL STATEMENT**

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**\$58,500,000\***  
**CITY OF BERKELEY**  
**2025-26 TAX AND REVENUE ANTICIPATION NOTES**

**INTRODUCTORY STATEMENT**

This Official Statement, which includes the cover page, the appendices hereto and this introductory statement, is provided to furnish information in connection with the sale by the City of Berkeley, California (the “**City**”), of its 2025-26 Tax and Revenue Anticipation Notes (the “**Notes**”).

The Notes are issued in full conformity with the Constitution and laws of the State of California (the “**State**”), including Article 7.6, Chapter 4, Part 1, Division 2, Title 5 (commencing with Section 53850 of the Government Code of the State), (the “**Law**”) and under the Law are general obligations of the City payable solely from those taxes, income, revenues, cash receipts and other moneys that are received by the City for its General Fund (the “**General Fund**”) for fiscal year 2025-26 and that are generally available for the payment of current expenses and other obligations of the City (the “**Unrestricted Moneys**”). The Notes are authorized by a resolution adopted by the City Council on June 24, 2025 (the “**Resolution**”). The City may, under the Law, issue the Notes only if the principal of and interest on the Notes will not exceed 85% of the estimated amount of the uncollected Unrestricted Moneys that will be available for the payment of said Notes. Proceeds from the sale of the Notes will be deposited into a segregated account in the General Fund and used and expended by the City for any purpose for which it is authorized to expend funds from the General Fund.

See “APPENDIX A – FINANCIAL, ECONOMIC AND DEMOGRAPHIC INFORMATION FOR THE CITY OF BERKELEY AND ALAMEDA COUNTY” and “APPENDIX B – COMPREHENSIVE ANNUAL FINANCIAL REPORT FOR YEAR ENDED JUNE 30, 2024,” for demographic and financial information regarding the City. The City is currently facing significant budget deficits. See “APPENDIX A – FINANCIAL, ECONOMIC AND DEMOGRAPHIC INFORMATION FOR THE CITY OF BERKELEY AND ALAMEDA COUNTY - General Fund Budget - *Adopted Biennial Budget.*”

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\* Preliminary; subject to change.

## THE NOTES

### Description of the Notes

The Notes will be issued in the principal amount and at the interest rate shown on the cover page of this Official Statement. Principal of and interest on the Notes are payable in lawful moneys of the United States of America upon maturity, and interest on the Notes will be computed on the basis of a 360-day year comprised of twelve 30-day months and accrues from the date of delivery.

The Notes will be dated the date of delivery and will mature on July 28, 2026. The Notes are to be delivered as fully registered Notes, without coupons, and, when delivered, will be registered in the name of Cede & Co., as nominee of The Depository Trust Company (“DTC”), New York, New York. DTC will act as securities depository of the Notes. Purchases will be made in book-entry form only, in the principal amount of \$5,000 or any integral multiple thereof.

### Purpose of Issue

Proceeds of the Notes will provide moneys to meet the City’s General Fund cash flow requirements during the 2025-26 fiscal year commencing July 1, 2025, and ending June 30, 2026, including current expenses, capital expenditures, and the discharge of other obligations or indebtedness.

### Book-Entry Only System

DTC will act as securities depository for the Notes. The Notes will be issued as fully-registered certificates registered in the name of Cede & Co. (DTC’s partnership nominee). One fully-registered certificate will be issued for each maturity of the Notes, each in the aggregate principal amount of such maturity, and will be deposited with DTC. See “APPENDIX E – BOOK-ENTRY ONLY SYSTEM.”

So long as the Notes are registered in the name of Cede & Co., as nominee of DTC, all payments with respect to the principal and interest with respect to the Notes will be made to DTC as provided as in the representation letter delivered on the date of issuance of the notes. The City cannot and does not give any assurances that DTC, participants in DTC’s book-entry only system (“DTC Participants”) or others will distribute payments of principal, interest or premium, if any, with respect to the Notes paid to DTC or its nominee as the registered owner, or will distribute any prepayment notices or other notices, to the Beneficial Owners, or that they will do so on a timely basis or will serve and act in the manner described in this Official Statement. The City is not responsible or liable for the failure of DTC or any DTC Participant to make any payment or give any notice to a Beneficial Owner with respect to the Notes or an error or delay relating thereto.

## SECURITY FOR AND SOURCES OF PAYMENT OF THE NOTES

### Security for the Notes

The principal amount of the Notes, together with the interest thereon, is payable from Unrestricted Moneys, being the first taxes, income, revenue, cash receipts, and other moneys that are received by the City for the General Fund for fiscal year 2025-26 and which are generally available for the payment of current expenses and other obligations of the City. Estimated Unrestricted Moneys exceed estimated payment requirements by more than eight to one. See “THE NOTES – Available Sources of Payment.”

As security for the repayment of principal of and interest on the Notes, the City has pledged to deposit into a special fund designated as the “2025-26 Tax and Revenue Anticipation Note Special Account” (the “**Special Account**”) the first Unrestricted Moneys to be received by the City as follows: (a) an amount equal to fifty percent (50%) of the principal amount of the Notes in the month of January 2026; (b) an amount equal to fifty percent (50%) of the principal amount of the Notes in the month of May 2026; and (c) an amount sufficient to pay interest as due on the Notes at their maturity, in the month of June 2026 (such pledged amounts, the “**Pledged Revenues**”). The Notes are equally and ratably secured by the City's pledge of the Pledged Revenues.

The principal of the Notes and the interest thereon shall constitute a first lien and charge against and shall be paid from the first moneys received by the City from such Pledged Revenues, and to the extent not so paid shall be paid from any other moneys of the City lawfully available therefor. In the event there are insufficient Unrestricted Moneys received by the City to permit the deposits into the Special Account of the full amount of the Pledged Revenues to be deposited in the applicable month, by the last business day of such month, then the amount of such deficiency shall be satisfied and made up from any other moneys of the City lawfully available for the payment of the Notes and the interest thereon.

All Pledged Revenues, as and when received, shall be deposited by the City into the Special Account, which will be held by the City for the payment of the principal of and interest on the Notes at maturity. Amounts deposited by the City into the Special Account shall be applied solely for the purpose of paying the principal of and interest on the Notes. Such amounts shall be invested by the City in legal investments, as permitted by Section 53601 of the Government Code of the State. See “CITY INVESTMENT POLICY AND PORTFOLIO.”

### Available Sources of Repayment

The Notes, in accordance with State law, are general obligations of the City, but are payable only out of Unrestricted Moneys, which include the taxes, income, revenues, cash receipts and other moneys that are received by the City for the General Fund for fiscal year 2025-26 and that are generally available for payment of current expenses and other obligations of the City. The Constitution of the State substantially limits the City's ability to levy ad valorem taxes. See “CONSTITUTIONAL AND STATUTORY PROVISIONS AFFECTING CITY REVENUES AND APPROPRIATIONS.” The City may, under existing law, issue the Notes only if the principal of, and interest on, the Notes will not exceed 85% of the estimated uncollected Unrestricted Moneys that will be available for the repayment of the Notes.

The Note coverage ratio is shown in the following table and is the ratio of estimated Unrestricted Moneys to the amount of Unrestricted Moneys needed to pay principal of and interest on the Notes.

The table below gives detail as to the sources of estimated Unrestricted Moneys and the Note Coverage Ratio.

**CITY OF BERKELEY  
Estimated Unrestricted Moneys  
Fiscal Year 2025-26**

| <u>Source</u>                                                | <u>Amount</u> |
|--------------------------------------------------------------|---------------|
| Available Cash Balance, July 1, 2025                         | \$            |
| Taxes (including property tax, sales tax and other taxes)    |               |
| Other Revenue                                                |               |
| Proceeds of the Notes <sup>(1)*</sup>                        |               |
| Transfers In                                                 |               |
| <br>                                                         |               |
| TOTAL UNRESTRICTED MONEYS*                                   | \$            |
| <br>                                                         |               |
| ESTIMATED PRINCIPAL PLUS INTEREST NEEDED FOR NOTE REPAYMENT* | \$            |
| <br>                                                         |               |
| NOTE COVERAGE RATIO*                                         | x             |

\* Preliminary; subject to change.  
 (1) Excluding purchaser's discount and costs of issuance.  
 Source: City of Berkeley Finance Department.

**Monthly Cash Flows**

The City has prepared the accompanying monthly General Fund cash flow statements covering fiscal year 2024-25 and the projected fiscal year 2025-26. The General Fund is used to finance the ordinary operations of the City and is available for any legal authorized purposes. While expenditures generally occur evenly throughout the fiscal year, cash receipts occur unevenly. As a result, the General Fund cash balance tends to show a deficit during parts of the fiscal year. The projections are based on the City's budget and current financial condition.

**City of Berkeley  
Fiscal Year 2024-25 Actual and Projected General Fund Cash Flows (1)(2)**

|                                            | Actual              |                     |                     |                     |                     |                     |                     |                     |                     |                     | Projected           |                     | TOTAL                |
|--------------------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|----------------------|
|                                            | July                | August              | September           | October             | November            | December            | January             | February            | March               | April               | May                 | June                |                      |
| Beginning Balance                          | \$22,891,729        | (\$40,370,052)      | (\$46,842,302)      | (\$50,429,661)      | (\$57,726,674)      | (\$64,786,594)      | (\$13,245,422)      | (\$25,280,262)      | (\$15,200,206)      | \$4,791,773         | \$37,914,888        | \$28,353,275        | \$22,891,729         |
| <b>CASH RECEIPTS</b>                       |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                      |
| Property Tax                               | \$3,617,745         | \$2,926,643         | \$5,899,177         | \$3,811,763         | \$5,169,290         | \$48,399,541        | \$2,802,828         | \$990,075           | \$14,428,705        | \$31,934,901        | \$5,498,115         | \$9,531,223         | \$135,010,005        |
| Sales Tax                                  | 1,806,971           | 1,502,687           | 1,617,120           | 1,434,898           | 1,722,020           | 1,391,571           | 1,431,576           | 2,088,495           | 1,372,298           | 1,403,435           | 1,568,261           | 1,767,380           | 19,106,713           |
| Other Taxes                                | 2,667,964           | 3,080,127           | 1,614,230           | 4,750,207           | 2,146,670           | 14,497,180          | 7,852,744           | 18,225,873          | 11,562,263          | 14,282,623          | 2,858,015           | 4,113,129           | 87,651,027           |
| License and Permits                        | 193,804             | 317,116             | 82,230              | 71,417              | 65,730              | 43,554              | 70,397              | 67,405              | 58,648              | 1,347,538           | 106,079             | 106,079             | 2,530,000            |
| Franchises                                 | 0                   | 124,889             | 0                   | 0                   | 120,950             | 0                   | 0                   | 116,487             | 0                   | 1,343,706           | 116,487             | 0                   | 1,822,528            |
| Subventions & Grants                       | 0                   | 17,446              | 34,912              | 129,147             | 217,310             | 21,396              | 125,262             | 3,565               | 188,786             | 62,175              | 23,662              | 176,337             | 1,000,000            |
| Service Fees                               | 1,384,611           | 786,206             | 780,720             | 985,668             | 838,030             | 1,086,521           | 372,391             | 2,205,332           | 1,230,619           | 1,248,677           | 1,101,709           | 774,513             | 12,795,000           |
| Fines and Penalties                        | 638,677             | 289,033             | 530,330             | 543,150             | 452,220             | 446,051             | 561,606             | 552,635             | 468,530             | 559,936             | 495,214             | 495,214             | 6,032,600            |
| Rents and Royalties                        | 21,978              | 24,107              | 26,482              | 29,789              | 27,550              | 35,782              | 25,342              | 22,243              | 25,214              | 72,778              | 19,985              | 18,742              | 350,000              |
| Interest Income                            | 1,981,684           | 874,020             | 1,741,847           | 887,768             | 1,814,700           | 382,064             | 1,498,993           | 843,921             | 722,566             | 1,322,192           | 1,542,521           | 387,718             | 14,000,000           |
| CalPERS Discount                           | 0                   | 0                   | 473,263             | 0                   | 0                   | 473,263             | 0                   | 0                   | 473,263             | 0                   | 0                   | 473,263             | 1,893,051            |
| Miscellaneous                              | 51,634              | 9,043               | 24,991              | 9,103               | 6,540               | 26,433              | 18,536              | 4,239               | 60,473              | 2,768               | 5,615               | 5,618               | 225,000              |
| Transfers In/Indirect Costs                | 3,674,489           | 506,450             | 509,055             | 776,290             | 688,730             | 553,388             | 789,352             | 537,029             | 3,880,814           | 800,531             | 719,246             | 625,100             | 14,060,478           |
| CalPERS Prepayments from Other Depts       | 3,048,159           | 4,354,513           | 4,354,513           | 6,531,769           | 4,354,510           | 4,354,513           | 4,354,513           | 4,354,513           | 4,354,513           | 4,354,513           | 6,531,769           | 5,660,867           | 56,608,665           |
| TRAN Proceeds                              | 0                   | 0                   | 0                   | 0                   | 0                   | 0                   | 0                   | 0                   | 0                   | 0                   | 0                   | 0                   | 0                    |
| <b>TOTAL RECEIPTS</b>                      | <b>\$19,087,717</b> | <b>\$14,812,280</b> | <b>\$17,688,869</b> | <b>\$19,960,969</b> | <b>\$17,624,300</b> | <b>\$71,711,257</b> | <b>\$19,903,540</b> | <b>\$30,011,810</b> | <b>\$38,826,691</b> | <b>\$58,735,771</b> | <b>\$20,586,678</b> | <b>\$24,135,185</b> | <b>\$353,085,067</b> |
| <b>CASH DISBURSEMENTS</b>                  |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                      |
| General Government                         | \$3,194,090         | \$6,056,288         | \$3,899,643         | \$3,640,420         | \$5,317,580         | \$4,671,512         | \$3,959,348         | \$3,810,796         | \$4,471,905         | \$3,822,783         | \$6,666,620         | \$6,021,768         | \$55,532,760         |
| Public Safety                              | 7,776,357           | 10,852,185          | 11,478,542          | 11,817,259          | 16,301,090          | 11,269,966          | 12,006,442          | 11,303,771          | 11,243,294          | 11,076,446          | 15,520,693          | 12,652,968          | 143,299,021          |
| Highways and Streets                       | 97,622              | 173,488             | 200,439             | 580,806             | 339,730             | 239,507             | 391,298             | 483,812             | 446,284             | 476,600             | 653,323             | 654,837             | 4,737,746            |
| Health and Human Service                   | 715,942             | 1,026,190           | 1,239,892           | 1,294,004           | 1,489,310           | 1,168,529           | 1,438,960           | 1,373,282           | 1,315,882           | 2,101,234           | 2,294,980           | 2,079,102           | 17,537,309           |
| Culture - Recreation                       | 711,704             | 1,281,197           | 1,497,759           | 926,221             | 852,580             | 1,812,879           | 694,624             | 683,691             | 600,077             | 569,033             | 1,036,982           | 1,512,923           | 12,179,671           |
| Urban Redevelopment/Housing                | 754,520             | 1,731,899           | 1,396,026           | 1,356,165           | 1,461,120           | 3,114,194           | 1,225,888           | 984,736             | 2,832,736           | 2,267,003           | 1,921,797           | 1,594,687           | 20,640,772           |
| Econ Dev & Assistance                      | 299,803             | 500,530             | 427,912             | 508,415             | 299,040             | 257,482             | 531,023             | 128,914             | 288,518             | 164,871             | 391,144             | 244,430             | 4,003,085            |
| Transfers Out/Other                        | 10,190,796          | 162,752             | 162,752             | 6,634,691           | 162,750             | 162,752             | 10,190,796          | 162,752             | 162,752             | 6,634,687           | 162,752             | 162,752             | 34,952,986           |
| Transfer Out to Pension Saving Fund        | 0                   | 0                   | 473,263             | 0                   | 0                   | 473,263             | 0                   | 0                   | 473,263             | 0                   | 0                   | 473,263             | 1,893,051            |
| Transfer Out to Stabilization Reserve Fund | 0                   | 0                   | 0                   | 0                   | 0                   | 0                   | 0                   | 0                   | 0                   | 0                   | 0                   | 0                   | 0                    |
| Transfer Out to Catastrophic Reserve Fund  | 0                   | 0                   | 0                   | 0                   | 0                   | 0                   | 0                   | 0                   | 0                   | 0                   | 0                   | 0                   | 0                    |
| CalPERS Unfunded Pension Liability         | 0                   | 0                   | 0                   | 0                   | 0                   | 0                   | 0                   | 0                   | 0                   | 0                   | 0                   | 0                   | 0                    |
| Prepayment                                 | 56,608,665          | 0                   | 0                   | 0                   | 0                   | 0                   | 0                   | 0                   | 0                   | 0                   | 0                   | 0                   | 56,608,665           |
| TRAN Principal Pledge                      | 0                   | 0                   | 0                   | 0                   | 0                   | 0                   | 0                   | 0                   | 0                   | 0                   | 0                   | 0                   | 0                    |
| TRAN Interest Pledge                       | 0                   | 0                   | 0                   | 0                   | 0                   | 0                   | 0                   | 0                   | 0                   | 0                   | 0                   | 0                   | 0                    |
| Advances from GF/(Repayment to GF)         | 2,000,000           | (500,000)           | 500,000             | 500,000             | (1,500,000)         | (3,000,000)         | 1,500,000           | 1,000,000           | (3,000,000)         | (1,500,000)         | 1,500,000           | 2,500,000           | 0                    |
| <b>TOTAL DISBURSEMENTS</b>                 | <b>\$82,349,499</b> | <b>\$21,284,529</b> | <b>\$21,276,228</b> | <b>\$27,257,981</b> | <b>\$24,684,220</b> | <b>\$20,170,085</b> | <b>\$31,938,379</b> | <b>\$19,931,754</b> | <b>\$18,834,712</b> | <b>\$25,612,656</b> | <b>\$30,148,291</b> | <b>\$27,896,730</b> | <b>\$351,385,067</b> |
| Interfund Borrowings                       | \$0                 | \$0                 | \$0                 | \$0                 | \$0                 | \$0                 | \$0                 | \$0                 | \$0                 | \$0                 | \$0                 | \$0                 | \$0                  |
| Net Cash Flow                              | (\$63,261,782)      | (\$6,472,250)       | (\$3,587,359)       | (\$7,297,012)       | (\$7,059,920)       | \$51,541,172        | (\$12,034,840)      | \$10,080,055        | \$19,991,979        | \$33,123,115        | (\$9,561,613)       | (\$3,761,545)       | \$1,700,000          |
| Ending Balance                             | (\$40,370,052)      | (\$46,842,302)      | (\$50,429,661)      | (\$57,726,674)      | (\$64,786,594)      | (\$13,245,422)      | (\$25,280,262)      | (\$15,200,206)      | \$4,791,773         | \$37,914,888        | \$28,353,275        | \$24,591,730        | \$24,591,730         |

(1) Actual through April 30, 2025.

(2) Cash and investment balances provided in the table above represent the City's available cash balance (i.e., General Fund cash and investments less the Stabilization and Catastrophic Reserve Fund cash balances and short term liabilities).

Source: City of Berkeley.

**City of Berkeley  
Fiscal Year 2025-26 Projected General Fund Cash Flows <sup>(1)</sup>  
(Including the Notes)**

|                                            | July                | August              | September           | October             | November            | December            | January             | February            | March               | April               | May                 | June                | TOTAL                |
|--------------------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|----------------------|
| Beginning Balance                          | \$22,891,729        | \$19,035,013        | \$12,562,763        | \$8,975,404         | \$1,678,391         | \$1,618,471         | \$46,159,643        | \$4,874,803         | \$14,954,859        | \$34,946,838        | \$68,069,953        | \$29,258,340        | \$22,891,729         |
| <b>CASH RECEIPTS</b>                       |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                      |
| Property Tax                               | \$3,617,745         | \$2,926,643         | \$5,899,177         | \$3,811,763         | \$5,169,290         | \$48,399,541        | \$2,802,828         | \$990,075           | \$14,428,705        | \$31,934,901        | \$5,498,115         | \$9,531,223         | \$135,010,005        |
| Sales Tax                                  | 1,806,971           | 1,502,687           | 1,617,120           | 1,434,898           | 1,722,020           | 1,391,571           | 1,431,576           | 2,088,495           | 1,372,298           | 1,403,435           | 1,568,261           | 1,767,380           | 19,106,713           |
| Other Taxes                                | 2,667,964           | 3,080,127           | 1,614,230           | 4,750,207           | 2,146,673           | 14,497,180          | 7,852,744           | 18,225,873          | 11,562,263          | 14,282,623          | 2,858,015           | 4,113,129           | 87,651,027           |
| License and Permits                        | 193,804             | 317,116             | 82,230              | 71,417              | 65,733              | 43,554              | 70,397              | 67,405              | 58,648              | 1,347,538           | 106,079             | 106,079             | 2,530,000            |
| Franchises                                 | 0                   | 124,889             | 0                   | 0                   | 120,959             | 0                   | 0                   | 116,487             | 0                   | 1,343,706           | 116,487             | 0                   | 1,822,528            |
| Subventions & Grants                       | 0                   | 17,446              | 34,912              | 129,147             | 217,312             | 21,396              | 125,262             | 3,565               | 188,786             | 62,175              | 23,662              | 176,337             | 1,000,000            |
| Service Fees                               | 1,384,611           | 786,206             | 780,720             | 985,668             | 838,033             | 1,086,521           | 372,391             | 2,205,332           | 1,230,619           | 1,248,677           | 1,101,709           | 774,513             | 12,795,000           |
| Fines and Penalties                        | 638,677             | 289,033             | 530,330             | 543,150             | 452,224             | 446,051             | 561,606             | 552,635             | 468,530             | 559,936             | 495,214             | 495,214             | 6,032,600            |
| Rents and Royalties                        | 21,978              | 26,482              | 29,789              | 27,558              | 35,782              | 25,342              | 25,342              | 22,243              | 25,214              | 72,778              | 19,985              | 18,742              | 350,000              |
| Interest Income                            | 1,981,684           | 874,020             | 1,741,847           | 887,768             | 1,814,707           | 382,064             | 1,498,993           | 843,921             | 722,566             | 1,322,192           | 1,542,521           | 387,718             | 14,000,000           |
| CalPERS Discount                           | 0                   | 0                   | 473,263             | 0                   | 0                   | 473,263             | 0                   | 0                   | 473,263             | 0                   | 0                   | 473,263             | 1,893,051            |
| Miscellaneous                              | 51,634              | 9,043               | 24,991              | 9,103               | 6,546               | 26,433              | 18,536              | 4,239               | 60,473              | 2,768               | 5,615               | 5,618               | 225,000              |
| Transfers In/Indirect Costs                | 3,674,489           | 506,450             | 509,055             | 776,290             | 688,734             | 553,388             | 789,352             | 537,029             | 3,880,814           | 800,531             | 719,246             | 625,100             | 14,060,478           |
| CalPERS Prepayments from Other Depts       | 3,048,159           | 4,354,513           | 4,354,513           | 6,531,769           | 4,354,513           | 4,354,513           | 4,354,513           | 4,354,513           | 4,354,513           | 4,354,513           | 6,531,769           | 5,660,867           | 56,608,665           |
| TRAN Proceeds                              | 59,405,065          | 0                   | 0                   | 0                   | 0                   | 0                   | 0                   | 0                   | 0                   | 0                   | 0                   | 0                   | 59,405,065           |
| <b>TOTAL RECEIPTS</b>                      | <b>\$78,492,782</b> | <b>\$14,812,280</b> | <b>\$17,688,869</b> | <b>\$19,960,969</b> | <b>\$17,624,302</b> | <b>\$71,711,257</b> | <b>\$19,903,540</b> | <b>\$30,011,810</b> | <b>\$38,826,691</b> | <b>\$58,735,771</b> | <b>\$20,586,678</b> | <b>\$24,135,185</b> | <b>\$412,490,132</b> |
| <b>CASH DISBURSEMENTS</b>                  |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                      |
| General Government                         | \$3,194,090         | \$6,056,288         | \$3,899,643         | \$3,640,420         | \$5,317,585         | \$4,671,512         | \$3,959,348         | \$3,810,796         | \$4,471,905         | \$3,822,783         | \$6,666,620         | \$6,021,768         | \$55,532,760         |
| Public Safety                              | 7,776,357           | 10,852,185          | 11,478,542          | 11,817,259          | 16,301,099          | 11,269,966          | 12,006,442          | 11,303,771          | 11,243,294          | 11,076,446          | 15,520,693          | 12,652,968          | 143,299,021          |
| Highways and Streets                       | 97,622              | 173,488             | 200,439             | 580,806             | 339,730             | 239,507             | 391,298             | 483,812             | 446,284             | 476,600             | 653,323             | 654,837             | 4,737,746            |
| Health and Human Service                   | 715,942             | 1,026,190           | 1,239,892           | 1,294,004           | 1,489,312           | 1,168,529           | 1,438,960           | 1,373,282           | 1,315,882           | 2,101,234           | 2,294,980           | 2,079,102           | 17,537,309           |
| Culture - Recreation                       | 711,704             | 1,281,197           | 1,497,759           | 926,221             | 852,581             | 1,812,879           | 694,624             | 683,691             | 600,077             | 569,033             | 1,036,982           | 1,512,923           | 12,179,671           |
| Urban Redevelopment/Housing                | 754,520             | 1,731,899           | 1,396,026           | 1,356,165           | 1,461,120           | 3,114,194           | 1,225,888           | 984,736             | 2,832,736           | 2,267,003           | 1,921,797           | 1,594,687           | 20,640,772           |
| Econ Dev & Assistance                      | 299,803             | 500,530             | 427,912             | 508,415             | 260,044             | 257,482             | 531,023             | 128,914             | 288,518             | 164,871             | 391,144             | 244,430             | 4,003,085            |
| Transfers Out/Other                        | 10,190,796          | 162,752             | 162,752             | 6,634,691           | 162,752             | 162,752             | 10,190,796          | 162,752             | 162,752             | 6,634,687           | 162,752             | 162,752             | 34,952,986           |
| Transfer Out to Pension Saving Fund        | 0                   | 0                   | 473,263             | 0                   | 0                   | 473,263             | 0                   | 0                   | 473,263             | 0                   | 0                   | 473,263             | 1,893,051            |
| Transfer Out to Stabilization Reserve Fund | 0                   | 0                   | 0                   | 0                   | 0                   | 0                   | 0                   | 0                   | 0                   | 0                   | 0                   | 0                   | 0                    |
| Transfer Out to Catastrophic Reserve Fund  | 0                   | 0                   | 0                   | 0                   | 0                   | 0                   | 0                   | 0                   | 0                   | 0                   | 0                   | 0                   | 0                    |
| CalPERS Unfunded Pension Liability         |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                      |
| Prepayment                                 | 56,608,665          | 0                   | 0                   | 0                   | 0                   | 0                   | 0                   | 0                   | 0                   | 0                   | 0                   | 0                   | 56,608,665           |
| TRAN Principal Pledge                      | 0                   | 0                   | 0                   | 0                   | 0                   | 0                   | 29,250,000          | 0                   | 0                   | 0                   | 29,250,000          | 0                   | 58,500,000           |
| TRAN Interest Pledge                       | 0                   | 0                   | 0                   | 0                   | 0                   | 0                   | 0                   | 0                   | 0                   | 0                   | 0                   | 2,916,875           | 2,916,875            |
| Advances from GF/(Repayment to GF)         | 2,000,000           | (500,000)           | 500,000             | 500,000             | (1,500,000)         | (3,000,000)         | 1,500,000           | 1,000,000           | (3,000,000)         | (1,500,000)         | 1,500,000           | 2,500,000           | 0                    |
| <b>TOTAL DISBURSEMENTS</b>                 | <b>\$82,349,499</b> | <b>\$21,284,529</b> | <b>\$21,276,228</b> | <b>\$27,257,981</b> | <b>\$24,684,222</b> | <b>\$20,170,085</b> | <b>\$61,188,379</b> | <b>\$19,931,754</b> | <b>\$18,834,712</b> | <b>\$25,612,656</b> | <b>\$59,398,291</b> | <b>\$30,813,605</b> | <b>\$412,801,942</b> |
| Interfund Borrowings                       | \$0                 | \$0                 | \$0                 | \$0                 | \$7,000,000         | (\$7,000,000)       | \$0                 | \$0                 | \$0                 | \$0                 | \$0                 | \$0                 | \$0                  |
| Net Cash Flow                              | (\$3,856,717)       | (\$6,472,250)       | (\$3,587,359)       | (\$7,297,012)       | (\$59,920)          | \$44,541,172        | (\$41,284,840)      | \$10,080,055        | \$19,991,979        | \$33,123,115        | (\$38,811,613)      | (\$6,678,420)       | (\$311,810)          |
| Ending Balance                             | \$19,035,013        | \$12,562,763        | \$8,975,404         | \$1,678,391         | \$1,618,471         | \$46,159,643        | \$4,874,803         | \$14,954,859        | \$34,946,838        | \$68,069,953        | \$29,258,340        | \$22,579,920        | \$22,579,920         |

(1) Cash and investment balances provided in the table above represent the City's available cash balance (i.e., General Fund cash and investments less the Stabilization and Catastrophic Reserve Fund cash balances and short-term liabilities).  
Source: City of Berkeley.

## CITY INVESTMENT POLICY AND PORTFOLIO

The authority to invest the City's funds is derived from a resolution adopted annually by the City Council delegating to the Director of Finance and the Treasurer of the City the authority to invest these funds within the guidelines of Section 53600 et seq. of the Government Code of the State (the "**Government Code**"). The Government Code also directs the City to present an annual investment policy (the "**Investment Policy**") for confirmation to the City Council. The City Council voted to affirm the Investment Policy and designate the investment authority, effective July 1, 2024. The Investment Policy may be revised by the City Council at any time.

The objectives of the Investment Policy are preservation of capital, liquidity and yield. The Investment Policy addresses the soundness of financial institutions in which the City may deposit funds, types of investment instruments permitted by the City and the Government Code, investment duration and the amount which may be invested in certain instruments. The Investment Policy also reflects and supports the City's policy positions on important social and environmental issues, as contained in formal City Council actions including the Nuclear-Free Berkeley Act, the Responsible Investment Ordinance, the Oppressive States Contract Resolution and Divestment from Publicly-Traded Fossil Fuel Companies and Gun Manufacturers and Tobacco companies. Summarized below are the permitted investments under the Investment Policy. These policies may further restrict investment options available to the City.

| Authorized Investment Type                                      | Maximum Maturity | Maximum Percentage/Dollar of Portfolio | Maximum Investment in One Issuer |
|-----------------------------------------------------------------|------------------|----------------------------------------|----------------------------------|
| Bank/Time Deposit Accounts                                      | 5 years          | 100%                                   | N/A                              |
| Money Market Funds                                              | N/A              | 100                                    | N/A                              |
| Repurchase Agreements                                           | 1 year           | 10                                     | N/A                              |
| Reverse Repurchase Agreements                                   | 7 days           | 10                                     | N/A                              |
| Banker's Acceptances                                            | 7 days           | 40                                     | 30%                              |
| U.S. Government Securities<br>(Treasury bills, Notes and Bonds) | 10 years*        | 100                                    | N/A                              |
| U.S. Agency Securities by Agency                                | 10 years*        | 100                                    | N/A                              |
| Negotiable Certificates of Deposit                              | 10 years*        | 30                                     | \$250,000                        |
| Local Agency Bonds                                              | 5 years*         | 100                                    | N/A                              |
| Commercial Paper                                                | 180 days         | 25                                     | \$5M or 2%                       |
| Medium Term Notes                                               | 10 years         | 30                                     | 30%                              |
| Public Bank Obligations                                         | 30 years*        | 10% of unrestricted investments        | 30%                              |
|                                                                 | 5 years          | 10% of unrestricted investments        | N/A                              |

*Source: City of Berkeley*

\* Maturities over five years, up to 30 years, are authorized for the three Retiree Medical Plan Trusts and debt service reserve funds.

As of June 30, 2024, the City portfolio included \$534,798,263 in pooled investments. The average life of the investments was 1,017 days and the weighted yield was 3.313%. The following is the market value of investments held by the City as of June 30, 2024:

| <u>Security</u>               | <u>Market Value</u>          | <u>% of Total Portfolio</u> |
|-------------------------------|------------------------------|-----------------------------|
| Medium Term Notes             | \$103,942,516                | 14.88%                      |
| Bank and Money Market Account | 163,720,486                  | 23.44                       |
| Federal Agency                | 425,927,397                  | 60.98                       |
| Municipal Bonds               | <u>4,928,350</u>             | <u>0.71</u>                 |
| TOTAL <sup>(1)</sup> :        | \$698,518,749 <sup>(1)</sup> | 100.00%                     |

(1) Totals may not sum due to rounding.

Source: City of Berkeley Finance Department.

## SPECIAL RISK FACTORS

The following information should be considered by prospective investors in evaluating the Notes; however, this information does not purport to be an exhaustive listing of the risks and other considerations, which may be relevant to an investment in the Notes.

### Bankruptcy Considerations

In 1994, Orange County, California issued its 1994-1995 Tax and Revenue Anticipation Notes (the “**Orange County Notes**”) under the same statutory authority as the Notes. On December 6, 1994, Orange County filed a petition in bankruptcy. Subsequently, Orange County declined to set aside the taxes and revenues it had pledged for the repayment of the Orange County Notes and a noteholder brought suit to compel Orange County to do so. A March 8, 1995, ruling of the United States Bankruptcy Court for the Central District of California, held that the lien securing the Orange County Notes did not attach to revenues received by Orange County after the filing of its bankruptcy petition on December 6, 1994, and therefore, Orange County was not required to set aside the revenues pledged under the note resolution following the bankruptcy. The Bankruptcy Court ruled that under the United States Bankruptcy Code (the “**Bankruptcy Code**”), the lien did not attach to revenues received by Orange County after December 6, 1994, because the lien was a consensual security interest rather than a statutory lien. In July 1995, the United States District Court for the Central District of California reversed the decision of the Bankruptcy Court. Orange County appealed the decision of the District Court to the United States Court of Appeals for the Ninth Circuit. Before the Ninth Circuit rendered a decision, the parties settled their disputes. Accordingly, if the City were to file for bankruptcy, it is not clear whether it would be required to set aside revenues pledged under the Resolution as described above.

In addition, the Pledged Revenues and other moneys that will be set aside to pay the Notes will be held in the City’s General Fund, and these funds will be invested in the pooled investment fund. Should the City go into bankruptcy, a court might hold that the owners of the Notes do not have a valid lien on the Pledged Revenues. In that case, unless the owners could “trace” the funds, the owners would merely be unsecured creditors of the City. There can be no assurance that the owners of the Notes could successfully so “trace” the Pledged Revenues.

## Limitations on Remedies

The rights of the owners of the Notes are subject to the limitations on legal remedies against cities in the State, including a limitation on enforcement of judgments against funds needed to serve the public welfare and interest. Additionally, enforceability of the rights and remedies of the owners of the Notes and the obligations incurred by the City, may become subject to the following: the Bankruptcy Code and applicable bankruptcy, insolvency, reorganization, moratorium, or similar laws relating to or affecting the enforcement of creditor's rights generally, now or hereafter in effect; equity principles which may limit the specific enforcement under State law of certain remedies; the exercise by the United States of America of the powers delegated to it by the Constitution; and the reasonable and necessary exercise in certain exceptional situations, of the police powers inherent in the sovereignty of the State and its governmental bodies in the interest of serving a significant and legitimate public purpose. Bankruptcy proceedings, or the exercise of powers by the federal or State government, if initiated, could subject the owners of the Notes to judicial discretion and interpretation of their rights in bankruptcy or otherwise, and consequently may entail risks of delay, limitation, or modification of their rights.

## COVID-19 Pandemic

As described in this Official Statement, while indications are that the COVID-19 pandemic is transitioning to an endemic stage, many variables will continue to contribute to the economic impact of the COVID-19 pandemic and the recovery. The ultimate impact of COVID-19 on the City's operations and finances is not fully known, and it may be some time before the full impact of the COVID-19 pandemic is known. Future costs to the City could also be increased in the event that a sustained deterioration in global stock market values as an economic consequence of the COVID-19 pandemic negatively impacts the market value of assets held to fund the City's pension plans, requiring future unanticipated increases in required plan contributions. Accordingly, prospective investors should consider that COVID-19 may adversely impact the City and its finances.

## Climate Change

The adoption by the State of the California Global Warming Solutions Act of 2006 (AB 32) and subsequent companion bills demonstrate the commitment by the State to take action and reduce greenhouse gases ("GHG") to 1990 levels by 2020 and 80% below 1990 levels by 2050. The State Attorney General's Office, in accordance with SB 375, now requires that local governments examine local policies and large-scale planning efforts to determine how to reduce greenhouse gas emissions. Additionally, the State adopted Senate Bill No. 32, which established a revised statewide GHG emission reduction target of 40% below 1990 levels by 2030.

The City is vulnerable to the impacts of climate change. The severity of these impacts will depend on the amount of greenhouse gas emissions produced worldwide over the coming decades and the City's ability to adapt to the changing climate. These impacts will continue to grow in intensity and will disproportionately affect vulnerable communities such as the elderly, children, people with disabilities, and people with low incomes. In order to mitigate climate change locally, the City developed the Berkeley Climate Action Plan (CAP). The CAP sets a target of achieving 80% GHG reductions below 2000 levels by 2050. The City also has goals to become a fossil fuel free city, and reach 100% renewable electricity citywide by 2035. From 2000 to 2016, the City reduced its greenhouse gas emissions by 15% despite a population increase of approximately 18% in that same period. Community-wide emissions in 2019 decreased 26% from the 2000 baseline and decreased 4% from 2018. The City has moved beyond its initial emissions reduction goal and, on May 11, 2021, the City Council committed to become zero net emissions

by 2045, requiring an additional 74% reduction of GHG emissions. The City's mitigation efforts include developing plans, programs and policies to:

- Reduce energy use in building construction and operation, in transportation by shifting travel to walking, biking, and transit, and by minimizing landfilled waste;
- Clean the electricity used in the City and
- Electrify transportation and buildings to significantly reduce natural gas and petroleum use.

It is also critical that the City adapt to current and projected climate change impacts, including sea level rise, drought, severe storms, and extreme heat, in order to protect its community, infrastructure, buildings, and economy. The City has several plans that address climate adaptation including the Local Hazard Mitigation Plan, the Resilience Strategy, and the Climate Action Plan. The City is also developing a sea level rise plan for the Berkeley Marina and a green infrastructure plan. Some key climate resilience actions that the City is taking include implementing green infrastructure projects and identifying opportunities for clean energy assurance solutions, such as solar plus storage, for buildings. The City also actively participates in regional organizations such as the Bay Area Climate Adaptation Network to develop regional strategies and solutions to adapt to climate change.

Climate change will have new, direct impacts and will also exacerbate existing local natural hazards. Rising sea levels have the potential to impact infrastructure and community members in west Berkeley and the Berkeley waterfront. This could increase the City's exposure to tsunami inundation and to flooding of critical infrastructure in these areas, which includes sanitary sewers, state highways, and railroad lines. Increased temperatures, when coupled with prolonged drought events, can increase the intensity of wildfires that may occur, and pose significant health and safety risks for vulnerable communities. Shorter, more intense wet seasons could make flooding more frequent, and may increase the landslide risk in the Berkeley hills. California may experience greater water and food insecurity, and drought may become a more persistent issue as the effects of climate change deepen.

## **Cybersecurity**

The City and its departments face multiple cyber threats including, but not limited to, hacking, viruses, malware and other attacks on computers and other sensitive digital networks and systems. There have been, however, only limited cyber-attacks on the computer systems of the City. No assurances can be given that the security and operational control measures of the City will be successful in guarding against any and each cyber threat and attack. The results of any attack on the computer and information technology systems could have a material adverse impact on the operations of the City and damage the digital networks and systems. The resulting costs and/or impacts on operations and General Fund revenues could be material.

## CONSTITUTIONAL AND STATUTORY PROVISIONS AFFECTING CITY REVENUES AND APPROPRIATIONS

### Limitations on Revenues

**Article XIII A of the California Constitution.** Article XIII A of the State Constitution, adopted and known as Proposition 13, was approved by the voters in June 1978. Section 1(a) of Article XIII A limits the maximum ad valorem tax on real property to one percent of “full cash value,” and provides that such tax shall be collected by the counties and apportioned according to State law. Section 1(b) of Article XIII A provides that the one-percent limitation does not apply to ad valorem taxes levied to pay interest and redemption charges on (i) indebtedness approved by the voters prior to July 1, 1978, or (ii) bonded indebtedness for the acquisition or improvement of real property approved on or after July 1, 1978, by two-thirds of the votes cast on the proposition, or (iii) bonded indebtedness incurred by a school district or community college district for the construction, reconstruction, rehabilitation or replacement of school facilities or the acquisition or lease of real property for school facilities, approved by 55% of the voters of the district, but only if certain accountability measures are included in the proposition. The tax for payment of the City’s general obligation bonds falls within the exception for bonds approved by a two-thirds vote.

Section 2 of Article XIII A defines “full cash value” to mean the county assessor’s valuation of real property as shown on the fiscal year 1975-76 tax bill, or, thereafter, the appraised value of real property when purchased, newly constructed, or a change in ownership has occurred. The full cash value may be adjusted annually to reflect inflation at a rate not to exceed two percent per year, or to reflect a reduction in the consumer price index or comparable data for the area under taxing jurisdiction or may be reduced in the event of declining property value caused by substantial damage, destruction or other factors. Legislation enacted by the State Legislature to implement Article XIII A provides that, notwithstanding any other law, local agencies may not levy any ad valorem property tax except the 1% base tax levied by each County and taxes to pay debt service on indebtedness approved by the voters as described above.

Since its adoption, Article XIII A has been amended a number of times. These amendments have created a number of exceptions to the requirement that property be reassessed when purchased, newly constructed or a change in ownership has occurred. These exceptions include certain transfers of real property between family members, certain purchases of replacement dwellings for persons over age 55 and by property owners whose original property has been destroyed in a declared disaster, and certain improvements to accommodate disabled persons and for seismic upgrades to property. These amendments have resulted in marginal reductions in the property tax revenues of the City.

Both the California State Supreme Court and the United States Supreme Court have upheld the validity of Article XIII A.

**Article XIII C and Article XIII D of the California Constitution.** On November 5, 1996, the voters of the State approved Proposition 218, known as the “Right to Vote on Taxes Act.” Proposition 218 adds Articles XIII C and XIII D to the California Constitution and contains a number of interrelated provisions affecting the ability of the City to levy and collect both existing and future taxes, assessments, fees and charges.

On November 2, 2010, California voters approved Proposition 26, entitled the “Supermajority Vote to Pass New Taxes and Fees Act.” Section 1 of Proposition 26 declares that

Proposition 26 is intended to limit the ability of the State Legislature and local government to circumvent existing restrictions on increasing taxes by defining the new or expanded taxes as “fees.” Proposition 26 amended Articles XIII A and XIII C of the State Constitution. The amendments to Article XIII A limit the ability of the State Legislature to impose higher taxes (as defined in Proposition 26) without a two-thirds vote of the Legislature. The amendments to Article XIII C define “taxes” that are subject to voter approval as “any levy, charge, or exaction of any kind imposed by a local government,” with certain exceptions.

Taxes. Article XIII C requires that all new local taxes be submitted to the electorate before they become effective. Taxes for general governmental purposes of the City (“**general taxes**”) require a majority vote; taxes for specific purposes (“**special taxes**”), even if deposited in the City’s General Fund, require a two-thirds vote. The voter approval requirements of Proposition 218 reduce the flexibility of the City to raise revenues for the General Fund, and no assurance can be given that the City will be able to impose, extend or increase such taxes in the future to meet increased expenditure needs.

Property-Related Fees, Charges and Assessments. Article XIII D also adds several provisions making it generally more difficult for local agencies to levy and maintain property-related fees, charges, and assessments for municipal services and programs. These provisions include, among other things, (i) a prohibition against assessments which exceed the reasonable cost of the proportional special benefit conferred on a parcel, (ii) a requirement that assessments must confer a “special benefit,” as defined in Article XIII D, over and above any general benefits conferred, (iii) a majority protest procedure for assessments which involves the mailing of notice and a ballot to the record owner of each affected parcel, a public hearing and the tabulation of ballots weighted according to the proportional financial obligation of the affected party, and (iv) a prohibition against fees and charges which are used for general governmental services, including police, fire or library services, where the service is available to the public at large in substantially the same manner as it is to property owners.

Reduction or Repeal of Taxes, Fees and Charges. Article XIII C also removes limitations on the initiative power in matters of reducing or repealing local taxes, assessments, fees or charges. No assurance can be given that the voters of the City will not, in the future, approve an initiative or initiatives which reduce or repeal local taxes, assessments, fees or charges currently comprising a substantial part of the City’s General Fund. If such repeal or reduction occurs, the City’s ability to pay debt service on the Notes could be adversely affected.

Burden of Proof. Article XIII C provides that local government “bears the burden of proving by a preponderance of the evidence that a levy, charge, or other exaction is not a tax, that the amount is no more than necessary to cover the reasonable costs of the governmental activity, and that the manner in which those costs are allocated to a payor bear a fair or reasonable relationship to the payor’s burdens on, or benefits received from, the governmental activity.” Similarly, Article XIII D provides that in “any legal action contesting the validity of a fee or charge, the burden shall be on the agency to demonstrate compliance” with Article XIII D.

Impact on City's General Fund. The approval requirements of Articles XIII C and XIII D reduce the flexibility of the City to raise revenues for the General Fund, and no assurance can be given that the City will be able to impose, extend or increase the taxes, fees, charges or taxes in the future that the City may need to meet increased expenditure needs.

The City does not believe that any material source of General Fund revenue is subject to challenge under Articles XIII C or XIII D.

Judicial Interpretation. The interpretation and application of Articles XIII C and XIII D will ultimately be determined by the courts with respect to a number of the matters discussed below, and it is not possible at this time to predict with certainty the outcome of such determination.

## **Expenditures and Appropriations**

***Article XIII B of the California Constitution.*** In addition to the limits Article XIII A imposes on property taxes that may be collected by local governments, certain other revenues of the State and local governments are subject to an annual "appropriations limit" or "Gann Limit" imposed by Article XIII B of the State Constitution, which effectively limits the amount of such revenues that government entities are permitted to spend. Article XIII B, approved by the voters in June 1979, was modified substantially by Proposition 111 in 1990. The appropriations limit of each government entity applies to "proceeds of taxes," which consist of tax revenues, state subventions and certain other funds, including proceeds from regulatory licenses, user charges or other fees to the extent that such proceeds exceed "the cost reasonably borne by such entity in providing the regulation, product or service." "Proceeds of taxes" exclude tax refunds and some benefit payments such as unemployment insurance. No limit is imposed on the appropriation of funds which are not "proceeds of taxes," such as reasonable user charges or fees, and certain other non-tax funds.

Article XIII B also does not limit appropriation of local revenues to pay debt service on bonds existing or authorized by January 1, 1979, or subsequently authorized by the voters, appropriations required to comply with mandates of courts or the federal government, appropriations for qualified capital outlay projects, and appropriation by the State of revenues derived from any increase in gasoline taxes and motor vehicle weight fees above January 1, 1990, levels. The appropriations limit may also be exceeded in cases of emergency; however, the appropriations limit for the three years following such emergency appropriation must be reduced to the extent by which it was exceeded, unless the emergency arises from civil disturbance or natural disaster declared by the Governor, and the expenditure is approved by two-thirds of the legislative body of the local government.

The State and each local government entity have their own appropriations limit. Each year, the limit is adjusted to allow for changes, if any, in the cost of living, the population of the jurisdiction, and any transfer to or from another government entity of financial responsibility for providing services. Each school district is required to establish an appropriations limit each year. In the event that a school district's revenues exceed its spending limit, the district may increase its appropriations limit to equal its spending by taking appropriations limit from the State.

Proposition 111 requires that each agency's actual appropriations be tested against its limit every two years. If the aggregate "proceeds of taxes" for the preceding two-year period exceed the aggregate limit, the excess must be returned to the agency's taxpayers through tax rate or fee reductions over the following two years.

## Future Initiatives

Article XIII A, Article XIII B, Article XIII C, Article XIII D and Proposition 111 were each adopted as measures that qualified for the ballot pursuant to California's initiative process. From time to time other initiative measures could be adopted, further affecting City revenues or the City's ability to expend revenues. The nature and impact of these measures cannot be predicted by the City.

## LEGAL OPINION

The statements of law and legal conclusions set forth in this Official Statement under the heading "TAX MATTERS" have been reviewed by Bond Counsel. Bond Counsel's employment is limited to a review of the legal proceedings required for the authorization of the Notes and to rendering the opinion discussed below. Such opinion will not consider or extend to any documents, agreements, representations, offering circulars or other material of any kind concerning the Notes not mentioned in this paragraph. Bond Counsel takes no responsibility for the accuracy, completeness or fairness of this Official Statement. Bond Counsel's compensation is contingent upon the delivery of the Notes. Certain legal matters will be passed upon for the City by the City Attorney.

## TAX MATTERS

In the opinion of Jones Hall, A Professional Law Corporation, San Francisco, California, Bond Counsel, subject, however to the qualifications set forth below, under existing law, the interest on the Notes is excluded from gross income for federal income tax purposes and such interest is not an item of tax preference for purposes of the federal alternative minimum tax.

The opinions set forth in the preceding paragraph are subject to the condition that the City comply with all requirements of the Internal Revenue Code of 1986, as amended (the "**Tax Code**") that must be satisfied subsequent to the issuance of the Notes. The City has covenanted to comply with each such requirement. Failure to comply with certain of such requirements may cause the inclusion of such interest in gross income for federal income tax purposes to be retroactive to the date of issuance of the Notes.

**Tax Treatment of Original Issue Discount and Premium.** If the initial offering price to the public at which a Note is sold is less than the amount payable at maturity thereof, then such difference constitutes "**original issue discount**" for purposes of federal income taxes and State of California personal income taxes. If the initial offering price to the public at which a Note is sold is greater than the amount payable at maturity thereof, then such difference constitutes "**original issue premium**" for purposes of federal income taxes and State of California personal income taxes. *De minimis* original issue discount and original issue premium are disregarded.

Under the Tax Code, original issue discount is treated as interest excluded from federal gross income and exempt from State of California personal income taxes to the extent properly allocable to each owner thereof subject to the limitations described in the first paragraph of this section. The original issue discount accrues over the term to maturity of the Note on the basis of a constant interest rate compounded on each interest or principal payment date (with straight-line interpolations between compounding dates). The amount of original issue discount accruing

during each period is added to the adjusted basis of such Notes to determine taxable gain upon disposition (including sale, redemption, or payment on maturity) of such Note. The Tax Code contains certain provisions relating to the accrual of original issue discount in the case of purchasers of the Notes who purchase the Notes after the initial offering of a substantial amount of such maturity. Owners of such Notes should consult their own tax advisors with respect to the tax consequences of ownership of Notes with original issue discount, including the treatment of purchasers who do not purchase in the original offering, the allowance of a deduction for any loss on a sale or other disposition, and the treatment of accrued original issue discount on such Notes under federal alternative minimum taxes.

Under the Tax Code, original issue premium is amortized on an annual basis over the term of the Note (said term being the shorter of the Note's maturity date or its call date). The amount of original issue premium amortized each year reduces the adjusted basis of the owner of the Note for purposes of determining taxable gain or loss upon disposition. The amount of original issue premium on a Note is amortized each year over the term to maturity of the Note on the basis of a constant interest rate compounded on each interest or principal payment date (with straight-line interpolations between compounding dates). Amortized Note premium is not deductible for federal income tax purposes. Owners of premium Notes, including purchasers who do not purchase in the original offering, should consult their own tax advisors with respect to State of California personal income tax and federal income tax consequences of owning such Notes.

In the further opinion of Bond Counsel, interest on the Notes is exempt from California personal income taxes.

Owners of the Notes should also be aware that the ownership or disposition of, or the accrual or receipt of interest on, the Notes may have federal or state tax consequences other than as described above. Bond Counsel expresses no opinion regarding any federal or state tax consequences arising with respect to the Notes other than as expressly described above.

A copy of the proposed form of opinion of Bond Counsel is attached hereto as APPENDIX C.

## CONTINUING DISCLOSURE

The City has covenanted for the benefit of the holders of the Notes to provide notices of the occurrence of certain enumerated events. The notices of enumerated events will be filed by the City with the Municipal Securities Rulemaking Board. The specific nature of the information to be contained in the notices of enumerated events is summarized under the caption "APPENDIX D – Form of Continuing Disclosure Certificate." These covenants have been made in order to assist the purchaser of the Notes in complying with Rule 15c2- 12(b)(5) promulgated under the Securities Exchange Act of 1934, as amended (the "Rule").

The City and its related governmental entities have previously entered into numerous disclosure undertakings under the Rule in connection with the issuance of long-term obligations. See Note 8 of the City's Annual Comprehensive Financial Report attached to this Official Statement as APPENDIX B.

In the previous five years, the City failed to timely file a material event notice in connection with a rating change for one series of the City's outstanding bonds. To ensure future compliance with its continuing disclosure undertakings, the City has developed procedures for including all required continuing disclosure information in the supplementary section of its audited financial statements. In addition, the City has engaged NHA Advisors, LLC, to review this information annually to ensure compliance with its continuing disclosure undertakings, including the undertaking to be entered into in connection with the Notes.

## ABSENCE OF MATERIAL LITIGATION

No litigation is pending or threatened concerning the validity of the Notes, and a certificate to that effect will be furnished by the City at the time of the original delivery of the Notes. The City is not aware of any litigation pending or threatened questioning the political existence of the City or contesting the City's ability to receive ad valorem taxes or to collect other Unrestricted Moneys or contesting the City's ability to issue and retire the Notes.

There are a number of lawsuits and claims pending against the City. The aggregate amount of the uninsured liabilities of the City, and the timing of any anticipated payments of judgments that may result from suits and claims, will not, in the opinion of the City, materially affect the finances of the City or impair its ability to repay the Notes. A certificate of the City to this effect will be available at the time of original delivery of the Notes.

## UNDERWRITING

The Notes were purchased by \_\_\_\_\_ (the “**Purchaser**”) at a price of \$ \_\_\_\_\_ (representing \$ \_\_\_\_\_ aggregate principal amount of the Notes plus a purchase premium of \$ \_\_\_\_\_, less a Purchaser’s discount of \$ \_\_\_\_\_). The purchase contract for the Notes provides that the Purchaser will purchase all the Notes if any are purchased, the obligation to make such purchase being subject to certain terms and conditions set forth in such purchase contract, the approval of certain legal matters by counsel and certain other conditions.

The Purchaser may offer and sell Notes to certain dealers and others at prices lower than the offering price stated on the cover page hereof. The offering price may be changed from time to time by the Purchaser.

## MUNICIPAL ADVISOR

The City has retained NHA Advisors, LLC, San Rafael, California, as municipal advisor (the “**Municipal Advisor**”) in connection with the preparation of this Official Statement and with respect to the issuance of the Notes. The Municipal Advisor is not obligated to undertake, and has not undertaken to make, an independent verification or assume responsibility for the accuracy, completeness, or fairness of the information contained in this Official Statement. The Municipal Advisor is a municipal advisory firm and is not engaged in the business of underwriting, trading or distributing municipal securities or other public securities. The Municipal Advisor’s compensation is contingent upon the delivery of the Notes.

## RATING

S&P Global Ratings, a business unit of Standard & Poor’s Financial Services LLC, has assigned a rating to the Notes as shown on the cover of this Official Statement. The City supplied certain information to the rating agency to be considered in evaluating the Notes. The rating issued reflects only the views of such rating agency, and any explanation of the significance of such rating should be obtained from the rating agency. There is no assurance that the rating will be retained for any given period of time or that the same will not be revised downward or withdrawn entirely by such rating agency if, in its judgment, circumstances so warrant. Any downward revision or withdrawal of the rating obtained may have an adverse effect on the market price of the Notes.

**ADDITIONAL INFORMATION**

The purpose of this Official Statement is to supply information to purchasers of the Notes. Quotations from and summaries and explanations of the Notes and the Resolution and of statutes and documents contained herein do not purport to be complete, and reference is hereby made to the Resolution, statutes and documents for full and complete statements of their provisions. Additional information can be obtained from the City's Director of Finance.

This Official Statement speaks only as of its date, and the information presented in this Official Statement is subject to change. Any statements in this Official Statement involving matters of opinion, whether or not expressly stated, are intended as such and not as representations of fact. This Official Statement is not to be construed as a contract or agreement among the City and any purchaser or owners of the Notes. This Official Statement and its distribution have been authorized and approved by the City Council of the City.

**CITY OF BERKELEY**

By: \_\_\_\_\_  
City Manager

**APPENDIX A**

**CERTAIN INFORMATION CONCERNING THE CITY OF BERKELEY**

**Introduction**

The City of Berkeley, California (the “**City**”) is located in Alameda County (the “**County**”) on the east side of the San Francisco Bay, approximately 10 miles northeast of San Francisco. The City encompasses a total area of approximately 19 square miles and had an estimated population of 125,327 as of January 1, 2024, giving it the highest population density of any city in the East Bay. The City is defined to a large degree, both culturally and economically, by the presence of the University of California campus located on the eastern side of the City. The University of California is a major component of the City's economy, employing more than 265,000 full and part-time workers across all University of California campuses statewide.

The City is among the oldest in California. The City was founded in 1864, incorporated as a town in 1878, and incorporated as a city in 1909. The City's first charter was adopted in 1895.

**Population**

Population figures for the City, County and State for the last five years are shown in the following table.

**CITY OF BERKELEY  
Population Estimates  
As of January 1**

| <b>Year</b> | <b>City of Berkeley</b> | <b>County of Alameda</b> | <b>State of California</b> |
|-------------|-------------------------|--------------------------|----------------------------|
| 2020        | 127,659                 | 1,681,337                | 39,535,623                 |
| 2021        | 120,950                 | 1,666,341                | 39,327,868                 |
| 2022        | 124,054                 | 1,643,683                | 39,114,785                 |
| 2023        | 125,181                 | 1,650,656                | 39,061,058                 |
| 2024        | 125,327                 | 1,641,869                | 39,128,162                 |

*Source: State Department of Finance estimates (as of January 1).*

**City Government**

The City operates under a Council-Manager form of government. The City is governed by a nine-member City Council, eight of whom are elected by district, plus the Mayor, who is elected on a city-wide basis. The Mayor and the City Council members serve four-year terms. The Council appoints a City Manager who is responsible for daily administration of City affairs and preparation and submission of the annual budget under the direction of the Mayor and the City Council for the Mayor's submission to the City Council. The City Manager appoints a Director of Finance to supervise the City's financial affairs. The Director of Finance also serves as the City's Treasurer.

The City Attorney, City Clerk and Director of Finance are appointed by the City Manager subject to City Council approval. The City Auditor is elected at the same time as the Mayor. Current members of the City Council are shown below:

| <u>Member</u>     | <u>District</u> | <u>Term Expires</u> |
|-------------------|-----------------|---------------------|
| Adena Ishii       | Mayor           | 11/30/2028          |
| Rashi Kesarwani   | 1               | 11/30/2026          |
| Terry Taplin      | 2               | 11/30/2028          |
| Ben Bartlett      | 3               | 11/30/2028          |
| Igor Tregub       | 4               | 11/30/2026          |
| Shoshana O'Keefe  | 5               | 11/30/2028          |
| Brent Blackaby    | 6               | 11/30/2028          |
| Cecilia Lunaparra | 7               | 11/30/2026          |
| Mark Humbert      | 8               | 11/30/2026          |

### CITY FINANCIAL INFORMATION

Although the City is including information about the City's finances in this Appendix A, it is important to understand that the Bonds described in this Official Statement are voter-approved general obligations of the City payable solely from the levy and collection of ad valorem property taxes, unlimited as to rate or amount, and are not payable from the General Fund of the City.

#### Accounting Policies and Financial Reporting

The accounts of the City are organized on the basis of funds and account groups, to account for different activities. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures or expenses, as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which the spending activities are controlled. The City's General Fund and other governmental fund types use the modified accrual basis of accounting. All of the City's other funds, including proprietary fund types and fiduciary fund types use the accrual basis of accounting. The basis of accounting for all funds is more fully explained in the "Notes to the Financial Statements" contained in APPENDIX B.

The City Council employs, at the beginning of each fiscal year, an independent certified public accountant who, at such time or times as specified by the City Council, at least annually, and at such other times as he or she shall determine, examines the combined financial statements of the City in accordance with generally accepted auditing standards, including such tests of the accounting records and such other auditing procedures as such accountant considers necessary. As soon as practicable after the end of the fiscal year, a final audit and report is submitted by such accountant to the City Council and a copy of the financial statements as of the close of the fiscal year is published.

The City, all its funds and the funds of certain other component entities of the City are audited annually by a certified public accounting firm. The firm of Badawi and Associates, Certified Public Accounts, Berkeley, California, is the City's current auditor (the "**Auditor**"). The annual comprehensive financial report of the City for fiscal year 2023-24 is attached hereto as APPENDIX B. *The City's financial statements are public documents and are included within this Official Statement without the prior approval of the Auditor.*

The Governmental Accounting Standards Board ("**GASB**") published its Statement No. 34 "Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments" on June 30, 1999. Statement No. 34 provides guidelines to auditors, state and local governments and special purpose governments such as school districts and public utilities,

on new requirements for financial reporting for all governmental agencies in the United States. Generally, the basic financial statements and required supplementary information should include (i) Management's Discussion and Analysis; (ii) government-wide financial statements prepared using the economic measurement focus and the accrual basis of accounting and fund financial statements prepared using both the current financial resources measurement focus and the modified accrual method of accounting (governmental funds) and funds using the economic measurement focus and the accrual basis of accounting (proprietary funds) and (iii) required supplementary information. The City's financial statements are prepared in conformance with the requirements of Statement No. 34.

### **Comparative Financial Statements**

The following tables provide a recent history of the City's Comparative Balance Sheet, and both a recent history of General Fund revenues, expenditures, transfers, and ending fund balances and recently budgeted amounts.

**CITY OF BERKELEY  
GENERAL FUND BALANCE SHEET  
(Fiscal Year Ending June 30)  
(Dollar amounts in thousands)**

|                                               | <u>Actual</u><br><u>2020-21</u> | <u>Actual</u><br><u>2021-22</u> | <u>Actual</u><br><u>2022-23</u> | <u>Actual</u><br><u>2023-24</u> |
|-----------------------------------------------|---------------------------------|---------------------------------|---------------------------------|---------------------------------|
| <b>ASSETS:</b>                                |                                 |                                 |                                 |                                 |
| Cash and investments in treasury*             | \$146,849                       | \$171,955                       | \$160,249                       | \$134,929                       |
| Receivables (net of allowance as applicable): |                                 |                                 |                                 |                                 |
| Accounts                                      | 4,782                           | 5,384                           | 9,314                           | 10,228                          |
| Interest                                      | 834                             | 1,078                           | 2,000                           | 2,620                           |
| Taxes                                         | 13,092                          | 10,795                          | 9,083                           | 9,915                           |
| Subventions/grants                            | 1                               | --                              | --                              | 50                              |
| Due from other funds                          | 12,814                          | 17,740                          | 16,034                          | 16,362                          |
| Notes receivable                              | 6,197                           | 13,818                          | 15,954                          | 31,326                          |
| Other                                         | 5                               | 5                               | 4                               | 5                               |
| Prepaid Items                                 | --                              | --                              | --                              | --                              |
| Total assets                                  | <u>184,574</u>                  | <u>220,776</u>                  | <u>212,640</u>                  | <u>205,434</u>                  |
| <b>LIABILITIES:</b>                           |                                 |                                 |                                 |                                 |
| Accounts payable                              | 10,444                          | 7,094                           | 6,147                           | 9,368                           |
| Accrued salaries and wages                    | 8,081                           | 8,934                           | 3,541                           | 4,672                           |
| Accrued interest payable                      | 740                             | 445                             | 1,117                           | 1,178                           |
| Advances from other funds                     | 1,760                           | 814                             | 814                             | --                              |
| Deposits held                                 | 921                             | 886                             | 936                             | 1,118                           |
| Unearned revenue                              | --                              | --                              | --                              | --                              |
| Tax and revenue anticipation notes            | 42,405                          | 44,660                          | 28,000                          | 23,620                          |
| Other liabilities                             | 4,955                           | 6,129                           | 6,515                           | 4,693                           |
| Total liabilities                             | <u>69,307</u>                   | <u>68,962</u>                   | <u>47,070</u>                   | <u>44,649</u>                   |
| Deferred Inflows of Resources                 | 3,385                           | 3,770                           | 7,103                           | 7,756                           |
| <b>FUND BALANCES</b>                          |                                 |                                 |                                 |                                 |
| Reserved for:                                 |                                 |                                 |                                 |                                 |
| Assigned to                                   | 19,577                          | 12,163                          | 16,753                          | 30,338                          |
| Nonspendable                                  | --                              | --                              | --                              | 660                             |
| Restricted and Committed                      | 35,941                          | 60,697                          | 71,799                          | 92,454                          |
| Unreserved/Unassigned, report in:             |                                 |                                 |                                 |                                 |
| General fund                                  | 56,364                          | 75,184                          | 69,915                          | 29,577                          |
| Total fund balances                           | <u>111,882</u>                  | <u>148,043</u>                  | <u>158,467</u>                  | <u>153,029</u>                  |
| Total liabilities and fund balances           | <u>\$184,574</u>                | <u>\$220,776</u>                | <u>\$212,640</u>                | <u>\$205,434</u>                |

\* Cash and investments in treasury includes restricted cash and investments.  
Source: City of Berkeley, Annual Comprehensive Financial Reports.

**CITY OF BERKELEY**  
**STATEMENT OF GENERAL FUND**  
**REVENUES, EXPENDITURES, TRANSFERS AND BALANCES**  
**(Fiscal Year Ending June 30)**  
**(Dollar amounts in thousands)**

|                                              | <u>Actual</u><br><u>2020-21</u> | <u>Actual</u><br><u>2021-22</u> | <u>Actual</u><br><u>2022-23</u> | <u>Actual</u><br><u>2023-24</u> |
|----------------------------------------------|---------------------------------|---------------------------------|---------------------------------|---------------------------------|
| <b>REVENUES:</b>                             |                                 |                                 |                                 |                                 |
| Taxes                                        | \$187,395                       | \$225,100                       | \$216,259                       | \$216,040                       |
| Licenses and Permits                         | 1,805                           | 1,580                           | 1,471                           | 1,457                           |
| Subvention and Grants/Intergovernmental      | 3,700                           | 652                             | 1,589                           | 833                             |
| Service Fees                                 | 6,990                           | 7,806                           | 9,812                           | 11,952                          |
| Fines and Forfeitures                        | 3,579                           | 4,967                           | 6,117                           | 5,947                           |
| Rents                                        | 189                             | 294                             | 233                             | 273                             |
| Franchises                                   | 1,714                           | 1,713                           | 1,811                           | 1,987                           |
| Private contribution                         | 184                             | 45                              | 134                             | 150                             |
| Interest                                     | 8,110                           | (10,069)                        | 3,261                           | 22,319                          |
| Other                                        | 74                              | 506                             | 560                             | 826                             |
| <b>TOTAL REVENUES</b>                        | <b>213,740</b>                  | <b>232,595</b>                  | <b>241,248</b>                  | <b>\$261,783</b>                |
| <b>EXPENDITURES:</b>                         |                                 |                                 |                                 |                                 |
| General Government                           | 27,357                          | 29,693                          | 32,732                          | 42,002                          |
| Public Safety                                | 120,179                         | 124,901                         | 128,306                         | 137,522                         |
| Highways and Streets                         | 3,163                           | 3,833                           | 3,055                           | 2,224                           |
| Health and Human Services                    | 19,320                          | 17,897                          | 15,695                          | 15,531                          |
| Culture-Recreation                           | 7,362                           | 8,708                           | 9,291                           | 10,632                          |
| Community Development                        | 9,258                           | 12,693                          | 16,592                          | 22,499                          |
| Economic Development                         | 2,534                           | 3,005                           | 3,643                           | 3,271                           |
| Debt Service                                 | 139                             | 98                              | 496                             | 2,347                           |
| Capital Outlay                               | --                              | --                              | 1,494                           | 5,850                           |
| <b>TOTAL EXPENDITURES</b>                    | <b>189,313</b>                  | <b>200,827</b>                  | <b>211,304</b>                  | <b>241,875</b>                  |
| Excess Revenues Over (Under)<br>Expenditures | 24,427                          | 31,767                          | 29,944                          | 19,908                          |
| Transfers In(out)/Other                      | (10,614)                        | 4,394                           | (19,520)                        | (25,345)                        |
| Net Change in Fund Balance                   | 13,813                          | 36,161                          | 10,424                          | (5,438)                         |
| Fund Balance, July 1                         | 98,069                          | 111,882                         | 148,043                         | 158,467                         |
| Prior Period Adjustment                      | --                              | -                               | -                               | --                              |
| <b>Fund Balance, June 30*</b>                | <b>\$111,882</b>                | <b>\$148,043</b>                | <b>\$158,467</b>                | <b>\$153,029</b>                |

\* Totals may not sum due to rounding.

Source: City of Berkeley Annual Comprehensive Financial Reports.

## General Fund Budget

**Budgetary Process and Administration.** The City employs a two-year budget process. In year one of the biennial budget cycle, the City Council formally adopts authorized appropriations for the first fiscal year and approves “planned” appropriations for the second fiscal year. In year two, the City Council considers revisions and formally adopts authorized appropriations for the second fiscal year. Although the budget cycle covers a two-year period, the City Charter requires that the City Council adopt an annual appropriations ordinance for each budget year.

From January to May of each year, the City Council meets publicly to discuss policies and priorities for the upcoming budget. The City Manager prepares a proposed budget based on input from department heads and presents this to the City Council by the first Monday in May of a budget year or as fixed by the City Council. The City also maintains additional budgetary controls to ensure compliance with the annual appropriated budget. The City Manager is authorized to transfer budgeted amounts within funds as deemed necessary to meet the City’s needs; however, revisions that alter the total budget or move amounts from one fund to another must be approved by the City Council.

Revenues and expenditures relating to the City’s general governmental operations are budgeted and accounted for in the City’s General Fund, including public safety, highways and streets, health, housing and human services, culture and recreation, community development and economic development. General taxes and fees support most of these activities. The “business” or proprietary activities of the City are accounted for in each of eight enterprise funds, which include those established for Refuse Collection, Marina Operations, Sanitary Sewers, Clean Storm Water, Permit Service Center, Off-Street Parking, Parking Meter, and Building Purchases & Management. These activities are intended to be completely or largely self-supporting through user fees and charges.

The balance of this Appendix is concerned with the operations and performance of the City’s General Fund, unless otherwise noted.

**Adopted Biennial Budget.** The City adopted its fiscal years 2024-25 and 2025-26 biennial budget on June 25, 2024. For fiscal year 2024-25, the City authorized operating and capital budget expenditures of \$776.2 million based on revenues of approximately \$667.1 million. For fiscal year 2025-26, the City authorized operating and capital budget expenditures of \$717.0 million based on revenues of approximately \$692.6 million. In both fiscal years, prior year savings (accumulated fund balance), bond proceeds collected in prior fiscal years and/or anticipated grant funding offset the net increase in expenditures among the different funds to balance the budget.

The General Fund comprises less than one-half of the total budget, with the remainder of the budget consisting of various special funds that are restricted in purpose. Approximately fifty-five percent of the City’s General Fund revenue is derived from real and unsecured property, sales and soda taxes, and business license taxes.

For fiscal year 2024-25, baseline revenues for the General Fund are projected to be \$273.4 million, while baseline expenditures are projected to be \$285.5 million, resulting in a deficit of \$12.1 million. For fiscal year 2025-26, baseline revenues for the General Fund are projected to be \$284 million, which baseline expenditures are projected to be \$296.1 million, resulting in a deficit of \$12 million. These projected deficits are based on revenue data received through the third quarter of the current fiscal year.

The City is unable to predict the impact that certain federal policies may have on its finances and operations, including uncertain tariff and trade policies, the impact of reduced federal funding on some City services and programs, and the impending possibilities of increased unemployment and an economic recession. In an effort to maintain a balanced budget and to prepare for these potentialities, on April 21, 2025, the City imposed a hiring freeze, effective immediately, noting that the action is intended to slow down deficit spending, and that the City continues to discuss additional steps to balance the City budget, including transfers between funds, restricting certain General Fund contributions, maintaining vacant positions and using certain current fund balances.

The City has utilized balancing measures to ensure the current budget is balanced, as has been its historical practice. Some of the measures used include increasing salary savings for the public safety employees from 5% to 9%, utilizing the section 115 pension trust fund to fund a portion of the increased pension cost, and utilizing certain fund balances to balance other funds. Through these one-time measures, the budget is balanced for both fiscal years.

**Five-Year Forecast**

Also on June 25, 2024, the Budget and Finance Policy Committee was presented with a five-year forecast, showing a structural annual deficit in fiscal years 2023-24 through 2027-28. The following table shows the projected revenues and expenditures over the next five fiscal years for the City’s General Fund and Special Funds.

**CITY OF BERKELEY  
Five-Year Forecast  
Fiscal Years 2023-24 through 2027-28**

|                            | <u>2023-24</u> | <u>2024-25</u> | <u>2025-26</u> | <u>2026-27</u> | <u>2027-28</u> |
|----------------------------|----------------|----------------|----------------|----------------|----------------|
| Beginning Fund Balance     | \$85,414,113   | \$73,516,703   | \$61,370,747   | \$49,297,696   | \$38,716,143   |
| Total Revenues             | 273,448,848    | 273,404,097    | 284,047,718    | 296,147,777    | 302,488,599    |
| Total Expenditures         | 285,346,258    | 285,550,053    | 296,120,769    | 306,729,330    | 317,787,520    |
| Annual Surplus/(Shortfall) | (11,897,410)   | (12,145,956)   | (12,073,051)   | (10,581,553)   | (15,298,921)   |
| Projected Ending Balance   | \$73,516,703   | \$61,370,747   | \$49,297,696   | \$38,716,143   | \$23,417,222   |

*Source: City of Berkeley Annual Comprehensive Financial Reports*

Given the decreasing level of precision to be expected in the later years of a multi-year forecast, the significance of the projections in the out years is not so much in terms of their absolute amounts, but rather in the relative size of the decrease or increase from the prior year. This information should be used to provide a multi-year perspective to budgetary decision-making, rather than as a precise prediction of what will occur.

**General Fund Reserves**

**Establishment of General Fund Reserve.** On January 24, 2017, the City Council adopted a General Fund reserve policy, establishing a General Fund reserve (the “**Reserve**”), to prepare for the impact of economic cycles and catastrophic events and assure fluctuations in revenue do not impede the City’s ability to meet expenditure obligations. When revenues fail to meet the City’s normal operating requirements, or the need for disbursements temporarily

exceeds receipts, the Reserve, upon a 2/3 vote of the City Council, may be used in accordance with the standards set forth therein.

The Reserve is composed of two elements, a Stability Reserve and a Catastrophic Reserve:

1) A Stability Reserve is maintained to mitigate loss of service delivery and financial risks associated with unexpected revenue shortfalls during a single fiscal year or during a prolonged recessionary period. The purpose of the Stability Reserve is to provide fiscal stability in response to unexpected downturns or revenue shortfalls, and not to serve as a funding source for new programs or projects.

2) A Catastrophic Reserve is maintained for the purpose of sustaining General Fund operations in the case of a public emergency, such as a natural disaster or other catastrophic event. The Catastrophic Reserve will be used to respond to extreme, onetime events, such as earthquakes, fires, floods, civil unrest, and terrorist attacks. The Catastrophic Reserve will not be accessed to meet operational shortfalls or to fund new programs or projects.

The Reserve is accounted for in the Restricted and Committed fund balance of the City's balance sheet.

**Target Reserve Levels.** 55% of the Reserve is allocated to the Stability Reserve and 45% to the Catastrophic Reserve.

The long-term goal for the Reserve is a minimum of 30% of the adopted General Fund revenues, to be achieved within no more than 10 years ("**Long-Term Goal**"). Based on a risk assessment (according to best practices), to be updated at least every five years, the City Council may consider increasing or lowering the Reserve level.

As of July 1, 2025, the Stability Reserve is projected to have \$32,798,073, and the Catastrophic Reserve is projected to have \$25,516,697, which total 21.33% of adopted General Fund revenues, below the long-term goal of 30% in 2027.

**Replenishment of the General Fund Reserve.** The City Manager will recommend a replenishment schedule for all monies proposed for appropriation from the Reserve. The replenishment schedule will be adopted simultaneous with the appropriation to withdraw Reserve funds or, if infeasible due to emergency circumstances, no more than three months from the date of the withdrawal appropriation. Repayment shall begin no more than five years from the date of withdrawal and be completed within 10 years from the date of withdrawal.

While staff envisions that, in most cases, repayment will start as soon as possible, the repayment guidelines are meant to reflect a commitment to maintain a sufficient Reserve, while also recognizing that a use of Reserve amounts may occur during an economic downturn and it may be necessary to postpone repayment while the economy improves. In fiscal year 2023-24, the City repaid \$7.5 million to the Stability Reserve, and \$2.2 million is expected to be repaid in fiscal year 2024-25. In fiscal year 2023-24, the City repaid \$6.1 million to the Catastrophic Reserve and \$1.8 million is expected to be repaid in fiscal year 2024-25.

## Unfunded Liability Obligations and Unfunded Infrastructure Needs

**General.** On April 11, 2023, the City Manager presented a biennial report of the City's unfunded liability obligations and unfunded infrastructure needs (the "**Report**"). The Report includes, among other things:

1. Employee and retiree benefit costs over a 10-year horizon
2. Costs for current active employees including:
  - a. total payroll costs for active employees during the current year;
  - b. projected payroll costs for the same number of employees for the next 10-year period.
3. A summary of all current City obligations including:
  - a. general obligation bonds;
  - b. certificates of participation;
  - c. loans;
  - d. all other current long-term obligations.
4. Summary of all capital assets and infrastructure including:
  - a. Appraisal of Public Buildings valued at \$5 million or more
  - b. Condition of Streets and Roads, projecting costs to bring streets and roads condition to an average Pavement Condition Index of 75 within 5 years.
  - c. Sewers: updated asset management plan for public sewers including projected costs for succeeding 5 years and projected revenue from sewer fees for the succeeding 5 years.

Certain provisions of the Report, which is available on the City's internet website but is not incorporated by reference herein, are described below. The link to the Report on the City's internet website is the following: [https://berkeleyca.gov/sites/default/files/documents/2023-05-23%20Special%20Item%2001%20Unfunded%20Liability%20Obligations\\_0.pdf](https://berkeleyca.gov/sites/default/files/documents/2023-05-23%20Special%20Item%2001%20Unfunded%20Liability%20Obligations_0.pdf). *The City takes no responsibility for the continued accuracy of the Internet addresses or for the accuracy or timeliness of information posted there, and such information is not incorporated in this Official Statement by these references.*

The Report concludes that maintaining a careful balance between cash on hand to fund daily operations and liquidity to cover unfunded liabilities is a key challenge for all governments, and reports that liabilities tied to pension benefits total \$1,971 million (of which only 77.4% is funded). For OPEB benefits, net liability is \$146 million (of which only 26.17% is funded). The City's unfunded infrastructure needs total \$2.52 billion.

**Unfunded Liabilities.** Due to projected increases in expenses, primarily pension and medical expenses, the City is projecting a General Fund structural deficit.

The City provides retirement benefits to its employees through three plans in the California Public Employees' Retirement System ("**CalPERS**"). See "- Retirement Programs" below for additional information. The City has a significant pension liability that is anticipated to grow, increasing by more than \$40 million over the next ten years, which will put a strain on resources and services.

In addition, the City's retiree health plans are significantly underfunded, as detailed in the Report.

**Unfunded Infrastructure Needs.** The City has an extensive portfolio of capital assets and infrastructure, including 95 buildings, 254 miles of public sanitary mains and 130 miles of sewer laterals, 216 centerline miles (450 lane miles) of public streets, 52 parks, 2 pools, 3 camps and 42 facilities served by the City's IT systems. In addition, Berkeley is a relatively older city, and

faces related challenges with its aging infrastructure. Despite the passage of several local bond measures to support capital facilities, there are significant unfunded needs related to parks, pools, camps, waterfront property, streets, sidewalks, storm drain/watershed, sewer, transportation and buildings/facilities. As needed improvements continue to be deferred, operating and maintenance costs rise and rehabilitation and replacement costs increase substantially. The Report details available annual funding and unfunded needs for capital and major maintenance.

As a result of the age of the City's infrastructure and limited resources allocated to infrastructure, the projected costs of the City's aging infrastructure needs are anticipated to reach more than \$2.52 billion by fiscal year 2027-28.

The Report also highlights that the City is located on the east side of the San Francisco bay, and has waterfront property with docks, pilings, parking lots and streets that have reached the end of their useful life. The City's mechanism for managing its waterfront revenues and expenditures (the "**Marina Fund**") is projected to have insufficient funding due to decreasing revenues and increasing expenditures, a trend that could be aggravated by failure to maintain the marina infrastructure. The City has created the Berkeley Marina Area Specific Plan to address an estimated \$113 million in infrastructure repairs but has not identified any specific funding sources.

The City is currently facing significant budget deficits. See "General Fund Budget - Adopted Biennial Budget."

### **State Budget and its Impact on the City**

**Fiscal Year 2025-26 State Budget.** The Governor sent the fiscal year 2025-26 budget proposal to the legislature on January 10, 2025 (the "**2025-26 State Budget Proposal**"). The 2025-26 State Budget Proposal presents a balanced budget with what are noted as significant reserves in the coming fiscal year, resulting in an upgrade to the State's financial forecast in the near term and modest upward revisions in the long term. A stronger-than-anticipated performance of the economy, stock market, and cash receipts, combined with an improved economic outlook, are noted as contributors to an upgraded revenue forecast, with General Fund revenues, before accounting for transfers and tax policy proposals, projected to be higher by approximately \$16.5 billion (2.7%) than was assumed in the 2024-25 State Budget for the three-year budget window of fiscal years 2023-24 through 2025-26.

Voters approved Proposition 1A in November 2004 to amend the State Constitution to place constraints on the State's ability to divert certain specified revenues from local agencies to the State. Subsequently, in November 2010, voters approved Proposition 22 to amend the State Constitution to further constrain or eliminate the State's ability to redirect revenues from local agencies. "CONSTITUTIONAL AND STATUTORY PROVISIONS AFFECTING CITY REVENUES AND APPROPRIATIONS – Proposition 1A" and "– Proposition 22."

**Additional Information.** Information about the 2025-26 State Budget Proposal and other State budgets is available at [www.dof.ca.gov](http://www.dof.ca.gov) or [www.ebudget.ca.gov](http://www.ebudget.ca.gov). An impartial analysis of the budget is posted by the Legislative Analyst Office at [www.lao.ca.gov](http://www.lao.ca.gov). In addition, various State official statements, many of which contain a summary of the current and past State budgets, may be found at the website of the State Treasurer, [www.treasurer.ca.gov](http://www.treasurer.ca.gov). *The information referred to in this paragraph is prepared by the respective State agency maintaining each website and not by the City. The City takes no responsibility for the continued accuracy of the Internet addresses or for the accuracy or timeliness of information posted there, and such information is not incorporated in this Official Statement by these references.*



## Federal Revenues

**General.** The federal government provides annual funding for several City programs, including funding from the Housing of Urban Development through the Community Block Grant, Emergency Solutions Grant, and HOME Investment Partnership in addition to other health and human services programs.

In January 2025, the federal government indicated that it was considering the reduction of federal funding to a number of programs, including programs that impact City programs. The City is unable to predict whether the federal government's review of spending may eventually impact its receipt of federal funding, and whether any such impact would have a material effect on the finances or operations of the City. The City is reviewing mitigation plans for federal funding changes that may impact the City in the future.

**Sanctuary Cities.** On January 21, 2025, the City Council adopted a resolution reaffirming the City's status as a sanctuary city and to reassert policies and procedures to guide and support staff should U.S. Immigration and Customs Enforcement ("ICE") contact City officials or visit City offices.

In January 2025, President Trump signed an executive order directing the Department of Homeland Security and the Department of Justice to explore denying federal funds to sanctuary jurisdictions and to pursue civil or criminal actions against them. Additionally, the United States Congress is considering bill H.R. 32, the "No Bailout for Sanctuary Cities Act," that would empower the president to withhold federal funding from cities, counties and states with sanctuary city status. Multiple lawsuits have been filed by local governments challenging the executive order.

The City is unable to predict the outcome of ongoing litigation against the sanctuary cities executive order or whether the federal government's restriction of funding for sanctuary cities may eventually impact its receipt of federal funding, and whether any such impact would have a material effect on the finances or operations of the City. The City is reviewing mitigation plans to deal with any ongoing litigation that may impact City financials.

## Ad Valorem Property Taxes

**Tax Levies and Collections.** Property taxes collected by the City decreased by \$1.2 million, or 1.0%, to \$117.8 million in fiscal year 2023-24 from \$119.0 million in fiscal year 2022-23, primarily as a result of increases/decreases in the following revenue sources:

- Property Transfer Tax revenue in fiscal year 2023-24 was \$18.0 million, \$4.0 million less than the fiscal year 2022-23 total of \$22.0 million. This decline was primarily as a result of a 26.2% decrease in the dollar value of property sales and a 10.0% decrease in the number of property sales transactions.
- Measure P Property Tax revenue in fiscal year 2023-24 was \$6.8 million, \$2.9 million or 29.9% less than the fiscal year 2022-23 total of \$9.7 million. This decline was primarily due to a 40.0% decrease in the dollar value of property sales, a 34.1% decrease in the number of property sales transactions, and significantly less property sales of \$10 million or more in fiscal year 2023-24 than there were in fiscal year 2022-23;

- Secured Property Taxes increased by \$5.6 million from \$79.3 million in fiscal year 2022-23 to \$84.9 million in fiscal year 2023-24, due to an increase in assessed value of 7.256% in the City.
- Secured Property Taxes increased \$5.6 million due to an increase in assessed value of 7.256% in the City.
- Vehicle In-Lieu Taxes increased \$1.2 million or 7.3% in fiscal year 2023-24 from \$16.7 million in fiscal year 2022-23 to \$17.9 million in fiscal year 2023-24, due to increase in assessed value of 7.256% in the City.

Taxes are levied for each fiscal year on taxable real and personal property that is situated in the City as of the preceding January 1. A supplemental roll is developed when property changes hands, which produces additional revenue.

A ten percent penalty attaches to any delinquent payment for secured roll taxes. In addition, property on the secured roll with respect to which taxes are delinquent becomes tax-defaulted. Such property may thereafter be redeemed by payment of the delinquent taxes and the delinquency penalty, plus a redemption penalty to the time of redemption. If taxes are unpaid for a period of five years or more, the property is subject to auction sale by the County Tax Collector.

In the case of unsecured property taxes, a 10% penalty attaches to delinquent taxes on property on the unsecured roll, and an additional penalty of 1.5% per month begins to accrue beginning November 1 of the fiscal year, and a lien is recorded against the assessee. The taxing authority has four ways of collecting unsecured personal property taxes: (1) a civil action against the taxpayer; (2) filing a certificate in the office of the County Clerk specifying certain facts in order to obtain a judgment lien on specific property of the taxpayer; (3) filing a certificate of delinquency for recording in the County Recorder's office in order to obtain a lien on specified property of the taxpayer; and (4) seizure and sale of personal property, improvements or possessory interests belonging or assessed to the assessee.

The County levies (except for levies to support prior voter-approved indebtedness) and collects all property taxes for property falling within that county's taxing boundaries.

See Table 1 of the forepart of this Official Statement for a table summarizing the historical and current assessed valuation of the taxable property in the City.

The City does not participate in the Teeter Plan. See Table 4 of the forepart of this Official Statement for a history of secured tax charges and delinquencies within the City during the past 10 years.

### **Other General Fund Revenues and Transfers**

In addition to property taxes, the City has several other major tax and fee revenue sources, as described below. The following table summarizes the City's actual audited General Fund revenues and transfers from fiscal year 2020-21 through fiscal year 2023-24.

**CITY OF BERKELEY  
GENERAL FUND REVENUES AND TRANSFERS**

|                                        | Actual<br>Revenue<br><u>FY 2021</u> | Actual<br>Revenue<br><u>FY 2022</u> | Actual<br>Revenue<br><u>FY 2023</u> | Actual<br>Revenue<br><u>FY 2024</u> |
|----------------------------------------|-------------------------------------|-------------------------------------|-------------------------------------|-------------------------------------|
| Real Property                          | \$68,166,155                        | \$70,657,482                        | \$79,260,689                        | \$84,850,061                        |
| Unsecured Property                     | 3,448,412                           | 4,422,414                           | 3,830,697                           | 4,506,444                           |
| Supplemental Taxes                     | 2,249,517                           | 2,317,723                           | 3,561,752                           | 2,842,273                           |
| Property Transfer Tax                  | 21,469,955                          | 42,901,750                          | 22,878,336                          | 17,528,223                          |
| Property Transfer Tax-Measure P        | 10,919,576                          | 20,591,313                          | 10,199,580                          | 6,272,861                           |
| Sales Tax                              | 15,792,305                          | 18,928,278                          | 19,194,971                          | 18,717,040                          |
| Soda Tax                               | 953,069                             | 1,025,800                           | 1,162,310                           | 1,101,210                           |
| Business License                       | 17,809,332                          | 20,324,937                          | 21,854,193                          | 23,754,845                          |
| Business License – Cannabis Recreation | 1,712,641                           | 1,250,792                           | 997,572                             | 152,834                             |
| Measure U1                             | 4,818,740                           | 4,913,872                           | 5,844,564                           | 6,322,118                           |
| Utility Users Tax                      | 13,892,200                          | 14,750,065                          | 17,634,565                          | 17,209,441                          |
| Hotel Tax                              | 2,292,480                           | 5,727,046                           | 7,477,911                           | 6,979,323                           |
| Vehicle In-Lieu                        | 14,380,453                          | 15,006,003                          | 16,659,665                          | 17,875,821                          |
| Parking Fines                          | 3,571,391                           | 4,765,819                           | 5,875,858                           | 6,034,002                           |
| Moving Violations                      | 131,756                             | 156,253                             | 149,420                             | 166,152                             |
| Interest                               | 5,917,722                           | 6,694,122                           | 12,117,025                          | 15,155,999                          |
| Ambulance Fees                         | 3,081,204                           | 3,833,730                           | 5,143,120                           | 7,910,668                           |
| Franchise Fees                         | 1,726,470                           | 1,720,056                           | 1,822,528                           | 2,008,162                           |
| Other Revenue                          | 18,514,060                          | 17,185,630                          | 15,872,263                          | 13,600,820                          |
| Transfers and IDC                      | <u>21,180,762</u>                   | <u>29,445,571</u>                   | <u>23,605,162</u>                   | <u>20,312,614</u>                   |
| <b>TOTAL</b>                           | <u>\$232,028,200</u>                | <u>\$286,618,657</u>                | <u>\$275,142,181</u>                | <u>\$273,300,911</u>                |

Source: City of Berkeley Budget Office. Revenues were recorded using the budget basis of accounting (i.e., Cash).

**Sales and Use Tax.** The sales tax is an excise tax imposed on retailers for the privilege of selling or leasing tangible personal property. The use tax is an excise tax imposed for the storage, use, or other consumption of tangible personal property purchased from any retailer. The total sales tax rate within the City is currently 10.25%. The proceeds of sales and uses taxes imposed within the City are distributed by the State to various agencies, with the City receiving 1.0% of the amount collected.

Collection of the sales and use tax is administered by the California Department of Tax and Fee Administration (the “CDTFA”). This process was formerly administered by the State Board of Equalization. The Taxpayer Transparency and Fairness Act of 2017, which took effect July 1, 2017, restructured the State Board of Equalization and separated its functions among three separate entities: the State Board of Equalization, the CDTFA and the Office of Tax Appeals. The State Board of Equalization will continue to perform the duties assigned to it by the state Constitution, while all other duties will be transferred to the newly established CDTFA and the Office of Tax Appeals. CDTFA will handle most of the taxes and fees previously collected by the State Board of Equalization, including sales and use tax. According to the CDTFA, it distributes quarterly tax revenues to local jurisdictions (like the City) using the following method:

Using the prior year’s like quarterly tax allocation as a starting point, the CDTFA first eliminates nonrecurring transactions such as fund transfers, audit payments and refunds, and then adjusts for growth, in order to establish the estimated base amount. The CDTFA disburses 90% of the base amount to each local jurisdiction in three monthly installments (advances) prior to the final computation of the quarter’s actual receipts. Ten percent is withheld as a reserve against unexpected occurrences that can affect tax collections (such as earthquakes, fire or other natural disaster) or distributions of revenue

such as unusually large refunds or negative fund transfers. The first and second advances each represent 30% of the 90% distribution, while the third advance represents the remaining 40%. One advance payment is made each month, and the quarterly reconciliation payment (clean-up) is distributed in conjunction with the first advance for the subsequent quarter. Statements showing total collections, administrative costs, prior advances and the current advance are provided with each quarterly clean-up payment.

The CDTFA receives an administrative fee based on the cost of services provided by the Board to the City in administering the City's sales tax, which is deducted from revenue generated by the sales and use tax before it is distributed to the City.

Sales tax revenues increased approximately \$42,822 or 0.2% to \$19.97 million in fiscal year 2023-24 from \$19.92 million in fiscal year 2022-23. The City currently projects that sales tax revenue will decrease by 1.2% in fiscal year 2024-25 and then increase 2.9% in fiscal year 2025-26.

**CITY OF BERKELEY  
TAXABLE TRANSACTIONS  
(Figures in Thousands)**

|                                  | 2019               | 2020               | 2021               | 2022               | 2023               |
|----------------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| Retail and Food Services:        |                    |                    |                    |                    |                    |
| Apparel Stores                   | \$42,772           | \$20,385           | \$37,143           | \$43,166           | \$44,187           |
| Gen. Merchandise Stores          | 21,434             | 16,902             | 19,066             | 22,498             | 19,762             |
| Food Stores                      | 155,025            | 169,569            | 144,467            | 115,170            | 115,398            |
| Eating and Drinking Places       | 391,474            | 208,146            | 283,279            | 366,323            | 383,140            |
| Home Furnishings and Appliances  | 66,188             | 45,479             | 87,133             | 59,435             | 51,568             |
| Bldg. Materials, Farm Implements | 101,937            | 113,116            | 141,811            | 152,845            | 149,126            |
| Auto Dealers, Auto Supplies      | 119,679            | 94,927             | 114,276            | 135,123            | 109,251            |
| Gas/Service Stations             | 94,217             | 57,950             | 87,759             | 110,009            | 99,486             |
| Other Retail Stores              | <u>261,020</u>     | <u>188,434</u>     | <u>236,279</u>     | <u>245,362</u>     | <u>224,668</u>     |
| Total Retail and Food Services   | 1,263,746          | 914,910            | 1,151,213          | 1,249,931          | 1,196,586          |
| All Other Outlets                | <u>372,108</u>     | <u>315,081</u>     | <u>341,988</u>     | <u>431,788</u>     | <u>401,687</u>     |
| TOTAL ALL OUTLETS                | <u>\$1,635,854</u> | <u>\$1,229,990</u> | <u>\$1,493,201</u> | <u>\$1,681,719</u> | <u>\$1,598,273</u> |

Source: State Department of Tax and Fee Administration.

Factors that have historically affected sales tax revenues include the overall economic growth of the Bay Area, competition from neighboring cities, the growth of specific industries within the City, the City's business attraction and retention efforts, and catalog and Internet sales.

**Utility Users Tax.** The City imposes a 7.5% tax on users of gas, electricity and telephone, as well as cellular telephone services for billing addresses within the City. The tax is not applicable to State, County, or City agencies, or to insurance companies and banks. Some of the factors affecting this revenue stream include consumer demand for these utilities, legislative and regulatory action, rate changes, and the evolution of technology. Utility users taxes decreased \$0.8 million or 4.6% from \$17.6 million in fiscal year 2022-23 to \$16.8 million in fiscal year 2023-24. The decrease came primarily from decreases in every category, except electric (increased \$0.8 million), as follows: Gas (decreased \$1.1 million); telephone (decreased \$0.7 million); cellular (decreased \$0.04); and cable (decreased \$0.05 million). Utility users tax is expected to be flat from fiscal year 2024-25 through fiscal year 2025-26.

**Business License Tax.** The City requires all businesses within the City to be licensed and imposes a business license tax on all business locations and a new license registration fee on applicants for a new license. The annual tax is generally determined based on the type of business and the business's gross receipts. The tax rate varies between \$0.60 per \$1,000 gross receipts for grocers, on the low end, and \$50.00 per \$1,000 gross receipts for adult cannabis sales on the high end. Most types of businesses are required to pay a minimum tax of at least \$51 per year. The overall revenue from this tax is dependent on the number of license renewals each year and the growth of businesses and industries within the City and the Bay Area more generally. Business license taxes revenue decreased \$0.7 million or 3.0% from \$23.4 million in fiscal year 2021-22 to \$23.9 million in fiscal year 2022-23 primarily due to business licenses taxes on recreational cannabis of \$1.0 million being added to business license taxes for fiscal year 2022-23 but being included in other revenue categories in fiscal year 2023-24. The City projects an 0.41% decrease in business licenses taxes in fiscal year 2024-25 and a 2% increase in fiscal year 2025-26.

**Property Transfer Tax.** The City's transfer tax rate is 1.5% for properties with a consideration up to \$1.5 million and 2.5% for transferred properties with a consideration over \$1.5 million. The \$1.5 million threshold will be adjusted annually to capture approximately the top 33% of such transfers based on transfers that occurred in the 12 months preceding September 1 of the preceding year. However, the threshold cannot be reduced below \$1.5 million, meaning that the tax on properties transferred for \$1.5 million or less would remain at 1.5%, notwithstanding any adjustment. The tax is due when the transfer is recorded with the County. Title companies collect the tax as part of the sale closing process and remit the funds to the County when sales or transfers are finalized. The County remits the amounts due monthly, and the amounts are credited to the General Fund. A buyer of residential housing built before 1989 may voluntarily choose to reserve up to one-third of the transfer tax to perform seismic upgrades. Buyers typically have up to one year to complete the work and file for a rebate. Previously, title companies held the reserved amount in escrow until the work was completed, but since May 2007, the City has held the money in escrow accounts, with the interest going to the City.

Prior to fiscal year 2017-18, it was the City Council's policy that property transfer tax in excess of \$10.5 million was treated as one-time revenue to be transferred to the Capital Improvement Fund for capital infrastructure needs, but that amount was increased to \$12.5 million in fiscal year 2017-18 until fiscal year 2022-23; in fiscal year 2022-23, the City Council increased the baseline for fiscal year 2022-23 and fiscal year 2023-24 to \$18 million, with a permanent adjustment to \$16 million beginning in fiscal year 2024-25.

**Parking Fines.** The City issues and adjudicates citations and civil penalties for parking violations through its own administrative structure. It has a great degree of control over the administration of parking fines, although issuing agencies within the County try to standardize parking penalties to the extent possible. Revenue from parking fines is affected by the penalties imposed for violations, the number of employees issuing tickets, how many tickets employees are able to issue, and the number of working parking meters, among other factors. Currently, the City must remit an additional \$12.50 per citation to the State/County for State and County construction funds, Maddy emergency medical fund, and DNA identification fund.

**Vehicle in Lieu Fees.** Vehicle license fees ("VLF") imposed for the operation of vehicles on state highways are collected by the State Department of Motor Vehicles in lieu of personal property taxes on vehicles. In connection with the offset of the VLF, the State Legislature authorized appropriations from the State General Fund to "backfill" the offset so that local governments, which receive all of the vehicle license fee revenues, would not experience any loss of revenues. The legislation that established the VLF offset program also provided that if there

were insufficient State General Fund moneys to fully “backfill” the VLF offset, the percentage offset would be reduced proportionately (i.e., the license fee payable by drivers would be increased) to assure that local governments would not be underfunded.

As part of the 2004 Budget Act negotiations, an agreement was made between the State and local government officials under which the VLF rate was permanently reduced from 2% to 0.65%. In order to protect local governments, the reduction in VLF revenue to cities and counties from this rate change was replaced by an increase in the amount of property tax they receive. Commencing in fiscal year 2004-05, local governments began to receive their full share of replacement property taxes, and those replacement property taxes now enjoy constitutional protection against certain transfers by the State because of the approval of Proposition 1A at the November 2004 election.

As a part of its fiscal year 2009-10 budget, California increased the vehicle license fee from 0.65% to 1.15% for registration fees due on or after the May 19, 2009 special election. This provision expired on July 1, 2011. On July 1, 2011, vehicle license fees returned to 0.65%, and the City is unaware of any current State legislative efforts likely to increase these in fees in the future.

Vehicle in-lieu taxes increased \$1.2 million or 7.3% in fiscal year 2023-24 from \$16.7 million in fiscal year 2022-23 to \$17.9 million in fiscal year 2023-24 due to increases in assessed value of 7.256% in the City.

**Other Revenues.** The City also collects additional General Fund revenues from franchise fees, transient occupancy taxes, ambulance fees, a tax on sugar-sweetened beverages, and other more minor sources. Under the City’s cable and electric and gas franchise fee arrangements, the local cable provider pays an annual franchise fee of 5% of gross revenues, and the electricity and gas providers pay the greater of 2% of gross receipts attributable to miles of line operated or 0.5% of gross receipts. The transient occupancy tax, also known as the hotel tax, is a 12% tax on the room charge for rental of transient lodging, which was significantly reduced due to restrictions on travel and events due to COVID-19. The City also has an agreement with the County to be the exclusive provider of all emergency ground ambulance services within the City; the specific ambulance fee depends on the type of service delivered and is billed to clients or their insurance companies. Finally, other more minor revenue sources include payments for moving violations, interest on existing funds, and other service fees.

## Retirement Programs

**PERS Plan Description.** The City contributes to three plans in California Public Employees’ Retirement System (“PERS”). The first plan covers all of the City’s full-time and part-time benefited sworn uniformed fire employees and all chiefs (and is referred to as the Safety Fire Plan in this Official Statement). The second covers all of the City’s full-time and part-time benefited sworn uniformed police employees and all chiefs (and is referred to as the Safety Police Plan in this Official Statement). The third plan covers all remaining eligible City employees (and is referred to as the Miscellaneous Plan in this Official Statement). These plans are agent multiple-employer defined benefit pension plans administered by PERS, which acts as a common investment and administrative agent for participating public employers within the State of California.

**PERS Plan Eligibility.** For a more detailed discussion of the eligibility requirements for the City’s PERS retirement plans, see Appendix B, Note 12.

**PERS Plan Contributions.** The City is required to contribute the actuarially determined remaining amounts necessary to fund the benefits for its members. The actuarial methods and assumptions used are those adopted by the PERS Board of Administration (the “**Board of Administration**”). For the measurement period ended June 30, 2023 (the measurement date), the average active employee contribution rate is 8.0% of annual pay for the Miscellaneous Plan and 9.0% of annual pay for the Safety Plan (Fire and Police), and the employer contribution rate is 23.446% of annual payroll for the Miscellaneous Plan, 48.776% of annual payroll for the Public Safety Fire Plan, and 79.138% of annual payroll for the Public Safety Police Plan. The contribution requirements of the plan members are established by State statute, and the employer contribution rates are established and may be amended by PERS.

**Implementation of GASB No. 68.** Commencing with fiscal year ended June 30, 2015, the City implemented the provisions of GASB Statement No. 68, which require certain new pension disclosures in the notes to its audited financial statements commencing with the audit for fiscal year 2014-15. Statement No. 68 generally requires the City to recognize its proportionate share of the unfunded pension obligation by recognizing a net pension liability measured as of a date (the measurement date) no earlier than the end of its prior fiscal year.

For a more detailed discussion of the eligibility requirements for the City’s retirement plans, see Appendix C, Note 12. The City’s fiscal year 2023-24 contributions to the pension plans and the funded status of the pension plans as of June 30, 2023, are set forth below.

| Total Pension Liability                 | Plan Fiduciary Net Position | Net Pension Liability | Plan Fiduciary Net Position as a Percentage of the Total Pension Liability | Covered Employee Payroll | Plan Net Pension Liability as a Percentage of Covered Employee Payroll | Contributions Employer |
|-----------------------------------------|-----------------------------|-----------------------|----------------------------------------------------------------------------|--------------------------|------------------------------------------------------------------------|------------------------|
| <b>PERS – Miscellaneous Plan</b>        |                             |                       |                                                                            |                          |                                                                        |                        |
| \$1,256,885,291                         | \$895,078,800               | \$361,806,491         | 71.21%                                                                     | \$110,614,150            | 327.09%                                                                | \$34,576,213           |
| <b>PERS – Public Safety Fire Plan</b>   |                             |                       |                                                                            |                          |                                                                        |                        |
| \$334,094,804                           | \$233,174,881               | \$100,919,923         | 69.79%                                                                     | \$18,118,697             | 556.99%                                                                | \$10,869,629           |
| <b>PERS – Public Safety Police Plan</b> |                             |                       |                                                                            |                          |                                                                        |                        |
| \$518,958,201                           | \$313,908,941               | \$205,049,260         | 60.49%                                                                     | \$21,578,636             | 950.24%                                                                | \$19,066,702           |

**Recent Actions by PERS.** On November 15, 2021, the CalPERS Board selected a new asset allocation mix that will guide the fund’s investment portfolio for the next four years, while at the same time retaining the reduction of discount rate from 7.0% to 6.8%. Notable changes for employers include a decrease in median total employer contribution rates, from less than 1% in miscellaneous plans to a decrease of more than 2% in some safety plans. Contribution changes took effect in fiscal year 2023-24 for public agencies.

**Dollar Contribution Based on Projected PERS Rate Increases.** The City’s projected annual financial contributions as a result of the PERS rate changes for the next four years are shown in the table below, with dollar amounts shown in millions:

|               | 2023-24 | 2024-25 | 2025-26 | 2026-27<br>Projected |
|---------------|---------|---------|---------|----------------------|
| Miscellaneous | \$25.8  | \$30.1  | \$31.9  | \$34.6               |
| Police        | 14.1    | 16.4    | 17.9    | 18.9                 |
| Fire          | 6.1     | 8.0     | 8.8     | 9.4                  |
| Total         | \$46.0  | \$54.5  | \$58.6  | \$62.9               |

**Berkeley Police Retirement Income Benefit Plan.** Prior to December 22, 2012, the City maintained the Berkeley Police Retirement Income Benefit Plan (“**BPRIBP**”), a single-employer defined benefit income plan, for its police retirees and surviving spouses. Effective September 19, 2012, police retired on or after this date are no longer covered by BPRIBP. The City replaced this plan with the “Retiree Health Premium Assistance Coverage Plan.”

The City’s fiscal year 2023-24 contribution to the BPRIBP and the funded status of the BPRIBP is set forth below.

| Fiscal Year Ended | Total Pension Liability | Plan Fiduciary Net Position | Plan Net Pension Liability | Plan Fiduciary Net Position as a Percentage of the Total Pension Liability | Covered Payroll | Plan Net Pension Liability as a Percentage of Covered Employee Payroll | Contributions Employer |
|-------------------|-------------------------|-----------------------------|----------------------------|----------------------------------------------------------------------------|-----------------|------------------------------------------------------------------------|------------------------|
| 6/30/2024         | \$68,306,425            | \$3,612,186                 | \$64,694,239               | 5.29%                                                                      | \$21,578,636*   | 271.89%                                                                | \$2,235,650            |

\* Estimated.

For a more detailed discussion of the BPRIBP, see APPENDIX B to this Official Statement.

**Peace Officers Research Association of California.** Effective December 23, 2012, the City established a new sick leave program called Peace Officers Research Association of California (“**PORAC**”). If a sworn member of the Berkeley Police department has an accrued sick leave balance on December 23, 2012 that exceeds 200 hours, one half of all those hours in excess of 200 shall be maintained in a separate account. The financial value of those hours shall be converted and deposited into the employee’s PORAC medical trust account over five successive years in equal installments commencing on January 1, 2013. The conversion was at the employee’s rate of pay on December 23, 2012. The City may accelerate the payment of hours to be converted. The remaining fifty percent of the sick leave balance in excess of 200 hours was credited into the employee’s separate “catastrophic/service time” bank no later than February 1, 2013, up to a maximum of 500 hours.

The City’s contribution to PORAC for the calendar year ending December 31, 2024 was \$392,104.

**Safety Members Pension Fund.** In addition, the City maintains the Safety Members Pension Fund (“**SMPF**”), a defined benefit plan for fire and police officers who retired prior to March 1973. In March 1973, all active fire and police officers were transferred from SMPF to PERS. The City pays the benefits to SMPF members on a pay-as-you-go basis, primarily through

a Funding Agreement, purchased by the Berkeley Civic Improvement Corporation on behalf of the City in 1989. For the fiscal year ended June 30, 2024, the City’s contribution to SMPF was \$74,479.

The funded status of the SMPF as of June 30, 2024, the most recent actuarial date, is set forth below:

| Actuarial Valuation Date | Plan Fiduciary Net Position | Total Pension Liability | Plan Net Pension Liability | Plan Fiduciary Net Position as a Percentage of the Total Pension Liability | Covered Payroll | Plan Net Pension Liability as a Percentage of Covered Employee Payroll |
|--------------------------|-----------------------------|-------------------------|----------------------------|----------------------------------------------------------------------------|-----------------|------------------------------------------------------------------------|
| 6/30/2024                | --                          | \$146,122               | \$146,122                  | --%                                                                        | N/A             | N/A                                                                    |

For a more detailed discussion of the SMPF, see APPENDIX B of this Official Statement.

**Post-Employment Health Benefits**

The City offers certain post-employment health benefits to retirees. There are three plans: (i) the City of Berkeley Fire Employees Retiree Health Plan (“**FRFH**”), (ii) the City of Berkeley Miscellaneous Employees Retiree Health Plan (“**RHPAP**”) and (iii) the Police Retiree Premium Assistance Plan (“**PRPAP**”).

The City has adopted Government Accounting Standards Board Statement 75 which requires governmental agencies to change their accounting for Other Post-Employment Benefits (“**OPEB**”) from pay-as-you-go to an accrual basis.

See Appendix B, Note 3 for information about the City’s OPEB liabilities.

**City of Berkeley Fire Employees Retiree Health Plan.** The FRFH is a single-employer defined benefit medical plan. To be eligible for benefits, sworn Fire employees must retire from the City on or after July 1, 1997, be vested in a PERS pension, and retire from the City on or after age 50. Benefits commence immediately upon retirement. Benefits are payable for the retiree’s lifetime and continue for his or her covered spouse’s/domestic partner’s lifetime. The amount the City contributes toward the Fire Employees Retiree Health Plan is 4.5% per year regardless of the amount of increase in the underlying premium rate. The establishment and amendments of benefit provisions are negotiated between the employee bargaining units and the City Labor Negotiating Team, and are approved by the City Manager and City Council. As of June 30, 2024, there were 138 active employees, 27 retirees deferred and 89 retirees receiving benefits.

The City’s targeted funding policy is equal to the service cost for active employees plus an amount to amortize unfunded liabilities over 30 years (rolling 30-year amortization) as a level percentage of payroll. The City strives to contribute the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45.

For the FRFH, the City’s annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB asset for fiscal year 2023-24 and the four preceding years were as follows:

| Fiscal Year Ended | Annual OPEB Cost | Percentage of Annual OPEB Cost Contributed | Net OPEB Liability |
|-------------------|------------------|--------------------------------------------|--------------------|
| 6/30/2020         | \$2,104,622      | 36%                                        | \$21,177,486       |
| 6/30/2021         | 2,575,970        | 35                                         | 23,873,248         |
| 6/30/2022         | 1,354,619        | 39                                         | 18,507,610         |
| 6/30/2023         | 3,659,767        | 36                                         | 22,908,062         |
| 6/30/2024         | 3,879,000        | 38                                         | 22,235,604         |

The funded status of the FRFH as of June 30, 2024, the date of the most recent actuarial report, is set forth below:

| Actuarial Valuation Date | Actuarial Value of Assets | Actuarial Accrued Liability (AAL)-Unit Credit | Unfunded Actuarial Accrued Liability-UAAL | Funded Ratio | Covered Payroll | UAAL as Percentage of covered Payroll |
|--------------------------|---------------------------|-----------------------------------------------|-------------------------------------------|--------------|-----------------|---------------------------------------|
| 7/1/2024                 | \$12,665,380              | \$35,573,442                                  | \$22,235,604                              | 38.0%        | \$18,640,673    | 119.29%                               |

**City of Berkeley Miscellaneous Employees Retiree Health Premium Assistance Plan.** The RHPAP is a single-employer defined benefit medical plan. It provides retiree health benefits to eligible retirees and his/her spouse or domestic partner. The establishment and amendments of benefit provisions are negotiated between the employee bargaining units and the City and are approved by the City Council.

Retirees who are at least age 50, with at least 8 years of service with the City at the time of separation from service are eligible to receive retiree health benefits commencing at age 55. Benefits are payable for the retiree’s lifetime and continue for his or her covered spouse’s/domestic partner’s lifetime. The City pays the monthly cost of the monthly premiums up to a participant’s applicable percentage of the base dollar amount and subject to annual 4.5% increases regardless of the amount of increase in the underlying premium rate. As of June 30, 2024, there were 1,140 active employees, 393 inactive employees or beneficiaries currently receiving benefits and 203 inactive employees entitled to but not yet receiving benefits.

The City’s targeted funding policy is equal to the normal cost for active employees plus an amount to amortize unfunded liabilities over 30 years as a level percentage of payrolls. The City is required to contribute the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. Any changes to the contribution requirements of the plan are negotiated by the bargaining units and City negotiating staff, and approved by the City Council.

For the RHPAP, the City’s annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for fiscal year 2023-24 and the four preceding years were as follows:

| Fiscal Year Ended | Annual OPEB Cost | Percentage of Annual OPEB Cost Contributed | Net OPEB Obligation |
|-------------------|------------------|--------------------------------------------|---------------------|
| 6/30/2020         | \$5,534,572      | 32.7%                                      | \$60,659,492        |
| 6/30/2021         | 4,871,995        | 42.9                                       | 41,895,470          |
| 6/30/2022         | 2,071,289        | 50.2                                       | 29,470,744          |
| 6/30/2023         | 6,017,367        | 52.3                                       | 29,845,739          |
| 6/30/2024         | 6,553,000        | 56.8                                       | 26,807,574          |

The funded status of the RHPAP as of June 30, 2024, the most recent actuarial report, is set forth below:

| Actuarial Valuation Date | Actuarial Accrued Liability (AAL) | Actuarial Value of Assets | Unfunded Actuarial Accrued Liability- UAAL | Funded Ratio | Covered Payroll | UAAL as Percentage of covered Payroll |
|--------------------------|-----------------------------------|---------------------------|--------------------------------------------|--------------|-----------------|---------------------------------------|
| 7/1/2024                 | \$62,048,880                      | \$35,241,306              | \$26,807,574                               | 56.8%        | \$118,898,025   | 22.55%                                |

**Police Retiree Premium Assistance Plan.** Effective September 19, 2012, the City replaced the “Berkeley Police Retirement Income Benefit Plan” with the “Retiree Health Premium Assistance Coverage Plan” for any police employees hired on or after that date, as well as any current employees who retire on or after such date. Under the newly established retiree health premium assistance plan, benefits will be the paid by the City directly to the provider who is providing retiree health coverage to the retiree or his or her surviving spouse. The maximum amount will be equal in value to the City sponsored health plan.

In order to be eligible for the Retiree Health Premium Assistance Coverage a “Retiree” must meet all of the following criteria:

- I. A person who is vested in, and
- II. Has reached the age of 50, and
- III. Has retired from the City at age 50 or thereafter, and
- IV. Has applied for and is receiving a pension from at the time of retirement.

The maximum amount the City will contribute toward the payment of medical insurance premiums is based on the employee’s years of service as a sworn member of the Berkeley Police Department at time of retirement. The retiree must have at least 10 years of service as a sworn member of the Berkeley Police Department to qualify for this benefit.

| <u>Years of Service</u> | <u>City Percentage</u> |
|-------------------------|------------------------|
| 10 to 14                | 25%                    |
| 15 to 19                | 50                     |
| 20 or more              | 100                    |

Beginning September 19, 2012, each month after the employee retires the City will pay the health care service provider an appropriate percentage based on years of service above an amount equal to \$1,200 per month for two-party coverage for the retiree and a qualifying spouse/domestic partner or \$600 per month for single party coverage. Upon death of either the retiree or the retiree's spouse, the City will only pay the appropriate percentage of the single party rate to the provider on behalf of the surviving retiree or spouse/domestic partner. If there is no spouse/domestic partner at the time of retirement, the City shall only pay the single party rate. The retiree and/or surviving spouse/domestic partner will be responsible for payment of the difference between the amount the City contributes toward payment of the premium and the actual premium cost. The funds for this difference will come from the retiree's retirement account and the retiree must authorize such withdrawal of funds.

Beginning July 1, 2013 and effective each July 1 thereafter, the base rates the City contributes toward payment of the premium amount described in the preceding paragraph shall be increased by either the amount Kaiser increases the retiree medical premium for that year, or 6%, whichever is less. The retiree and/or surviving spouse/domestic partner shall pay the difference between the amount the City contributes toward payment of the premium and the actual premium cost. As of July 1, 2024, there were 150 active employees and 47 retirees.

For the retiree health premium assistance plan, the City's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB asset for fiscal year 2023-24 and the four preceding years were as follows:

| <b>Fiscal Year Ended</b> | <b>Annual OPEB Cost</b> | <b>Percentage of Annual OPEB Cost Contributed</b> | <b>Net OPEB Liability</b> |
|--------------------------|-------------------------|---------------------------------------------------|---------------------------|
| 6/30/2020                | \$4,432,549             | 4.0%                                              | \$57,472,394              |
| 6/30/2021                | 5,076,625               | 4.0                                               | 49,355,501                |
| 6/30/2022                | 4,636,861               | 6.2                                               | 32,429,614                |
| 6/30/2023                | 5,245,557               | 5.8                                               | 35,423,408                |
| 6/30/2024                | 2,591,000               | 6.0                                               | 34,445,786                |

The actuarial cost method used for determining the benefit obligations is the Projected Unit Credit Cost Method. Under this method, the actuarial present value of projected benefits is the value of benefits expected to be paid for current actives and retirees and is calculated based on the assumptions and census data described this report. The Actuarial Accrued Liability (AAL) is the actuarial present value of benefits attributed to employee service rendered prior to the valuation date. The AAL equals the present value of benefits multiplied by a fraction equal to service to date over service at expected retirement. The Normal Cost is the actuarial present value of benefits attributed to one year of service. This equals the present value of benefits divided by service at expected retirement. Since retirees are not accruing any more service, their normal cost is zero. In determining the Annual Required Contribution, the Unfunded AAL is amortized as a level percentage of payroll over 30 years.

As of July 1, 2024, the most recent actuarial valuation date, the plan was 6.0% funded. The actuarial accrued liability for benefit was \$36.7 million, and the actuarial value of assets was \$2.2 million, resulting in an unfunded accrued liability of \$34.4 million. The covered payroll (annual payroll of active employees covered by the plan) was approximately \$22.6 million. The fair value of the assets was determined using market values as of the date of the actuarial report. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial

accrued liabilities for benefits. Funded status of the plan as of June 30, 2024, the most recent actuarial valuation date is as follows:

| Actuarial Value of Assets | Actuarial Accrued Liability (AAL)- Unit Credit | Unfunded Actuarial Accrued Liability- UAAL | Funded Ratio | Covered Payroll | UAAL as Percentage of covered Payroll |
|---------------------------|------------------------------------------------|--------------------------------------------|--------------|-----------------|---------------------------------------|
| \$2,214,765               | \$36,660,551                                   | \$34,445,786                               | 6.0%         | \$22,582,297    | 152.5%                                |

**Defined Contribution Plans**

The City offers certain supplemental retirement and income plans to retirees. See Appendix B, Note 12 for information about the City’s defined contribution plans.

**Labor Relations**

As of March 31, 2025, the City employed approximately 1,605 full-time equivalent budgeted employees. There are six employee unions as shown below. In addition, the City employs approximately 155 unrepresented employees that include Executive Management, Confidential professional or Confidential Office support positions. The City has not experienced any work stoppages or strikes by its employees.

**CITY OF BERKELEY  
Labor Relations**

| <u>Labor Organization</u>                                                                                           | <u>Employees</u> | <u>Contract Expiration Date</u> |
|---------------------------------------------------------------------------------------------------------------------|------------------|---------------------------------|
| Berkeley Fire Fighters Association/I.A.F.F. Local 1227                                                              | 164              | 06/30/2026                      |
| Berkeley Police Association                                                                                         | 140              | 06/30/2026                      |
| I. B. E. W. Local 1245                                                                                              | 11               | 06/30/2025                      |
| Service Employees International Local 1021 Maintenance and Clerical Chapters                                        | 460              | 06/26/2027                      |
| Service Employees International Local 1021 Community Services and Part-Time Recreation Leaders Association Chapters | 393              | 06/26/2027                      |
| Public Employees Local 1                                                                                            | 199              | 06/26/2027                      |
| Unrepresented Employees                                                                                             | 131              | 06/26/2027                      |

*Source: City of Berkeley.*

## Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters.

The City is self-insured for liability claims below \$350,000. The City is a member of the Bay Cities Joint Powers Insurance Authority (“**BCJPIA**”). The BCJPIA consists of 20 municipal or public agency members, all located within the metropolitan San Francisco Bay Area. The BCJPIA provides general liability, auto liability, and errors and omissions coverage between \$350,000 and \$1,000,000. The California Affiliated Risk Management Authority (“**CARMA**”) provides additional coverage to the BCJPIA and its member entities for claims in excess of \$1,000,000, up to \$29,000,000.

The City is self-insured for workers’ compensation. Payments are made to the Workers’ Compensation Self-Insurance Internal Service Fund by transfers from the City’s General Fund and other funds of the City on a pay-as-you-go basis.

The City requires pre-employment physical examinations for high risk, high hazard employees as well as annual examination for all uniformed officers. As part of its workers’ compensation program, copies of all injured employee medical reports are monitored by a third-party agent to ensure that injured employees receive proper care.

At June 30, 2024, \$7,229,101 and \$40,698,360 have been accrued for public liability, and workers’ compensation claims, respectively. These accruals represent estimates of amounts to ultimately be paid for reported claims and, upon past experience, recent claim settlement trends and other information. It is the City’s practice to obtain an actuarial study on an annual basis. Although the amount of actual losses incurred through June 30, 2024 are dependent on future developments, based upon information from the administrators and others involved with the administration of the programs, the City’s management believes that the aggregate accrual is adequate to cover such losses.

## City Debt Structure

**Short-Term Debt.** The City has issued Tax and Revenue Anticipation Notes (“**TRANS**”) in each recent year. The City’s TRANS are a general obligation of the City, payable from the City’s General Fund and any other lawfully available moneys. The fiscal year 2024-25 TRANS have an outstanding principal amount of \$35,395,000 and mature on July 29, 2025.

**Long-Term General Fund Obligations.** The City currently has outstanding long-term General Fund debt and lease obligations described below. The City has never defaulted on the payment of principal of or interest on any of its indebtedness.

*Lease Revenue Bonds.* On June 2, 2021, Berkeley Joint Powers Financing Authority (the “**Authority**”) executed and delivered lease revenue bonds in the aggregate principal amount of \$3,975,000. The City’s underlying rental obligation is a General Fund obligation of the City. The bonds bear interest at rates between 2.00%-5.00%, and the final maturity date is October 1, 2039. As of June 1, 2025, the principal balance outstanding was \$3,975,000.

*Lease Revenue Bonds.* In October 2012, the Authority issued lease revenue bonds on behalf of the City in the aggregate principal amount of \$27,260,000 to refund the Authority’s 1999 Lease Revenue Bonds and 2003 Certificates of Participation. The City’s

underlying rental obligation is a General Fund obligation of the City. The bonds bear interest at rates between 3.00%-5.00%, and the final maturity date is October 1, 2031. As of June 1, 2025, the principal balance outstanding was \$11,725,000.

**General Obligation Bonds.** The City has previously issued general obligation and general obligation refunding bonds that are secured by ad valorem taxes levied and collected in the City. See "DEBT SERVICE SCHEDULES.- Combined Debt Service Schedule" in the front part of this Official Statement for a summary of the City's outstanding general obligations.

## Employment

The unemployment rate in the Oakland-Fremont-Berkeley MD was 4.5% in February 2025, down from a revised 4.7% in January 2025, and unchanged from the year-ago estimate of 4.5%. This compares with an unadjusted unemployment rate of 5.5% for California and 4.5% for the nation during the same period. The unemployment rate was 4.4% in Alameda County, and 4.6% in Contra Costa County.

The table below provides information about employment by industry type for Alameda County for calendar years 2020 through 2024.

**OAKLAND- FREMONT-BERKELEY MD  
(Alameda and Contra Costa Counties)  
Civilian Labor Force, Employment and  
Unemployment, Unemployment by Industry  
(Annual Averages)**

|                                                   | 2020             | 2021             | 2022             | 2023             | 2024             |
|---------------------------------------------------|------------------|------------------|------------------|------------------|------------------|
| Civilian Labor Force <sup>(1)</sup>               | 1,425,400        | 1,414,000        | 1,432,000        | 1,448,500        | 1,448,600        |
| Employment                                        | 1,303,300        | 1,329,500        | 1,384,800        | 1,392,800        | 1,383,700        |
| Unemployment                                      | 122,000          | 84,500           | 47,200           | 55,700           | 64,900           |
| Unemployment Rate                                 | 8.6%             | 6.0%             | 3.3%             | 3.8%             | 4.5%             |
| <u>Wage and Salary Employment:</u> <sup>(2)</sup> |                  |                  |                  |                  |                  |
| Agriculture                                       | 1,500            | 1,700            | 1,900            | 1,800            | 1,500            |
| Mining and Logging                                | 200              | 200              | 300              | 300              | 300              |
| Construction                                      | 71,100           | 74,300           | 75,600           | 75,700           | 74,100           |
| Manufacturing                                     | 98,700           | 106,000          | 112,300          | 111,200          | 104,100          |
| Wholesale Trade                                   | 42,100           | 41,100           | 41,500           | 41,200           | 40,700           |
| Retail Trade                                      | 101,500          | 105,300          | 106,200          | 105,300          | 103,400          |
| Transportation, Warehousing, Utilities            | 44,600           | 47,100           | 51,700           | 52,200           | 52,000           |
| Information                                       | 25,600           | 24,700           | 25,000           | 24,200           | 22,400           |
| Finance and Insurance                             | 35,900           | 34,800           | 33,600           | 32,200           | 31,500           |
| Real Estate and Rental and Leasing                | 16,800           | 17,200           | 18,400           | 18,500           | 18,400           |
| Professional and Business Services                | 184,900          | 190,700          | 194,700          | 188,200          | 186,000          |
| Educational and Health Services                   | 191,300          | 198,500          | 205,800          | 216,900          | 229,400          |
| Leisure and Hospitality                           | 84,700           | 92,500           | 108,300          | 111,700          | 110,800          |
| Other Services                                    | 33,100           | 35,600           | 39,200           | 41,500           | 42,700           |
| Federal Government                                | 14,200           | 13,400           | 13,100           | 13,200           | 13,300           |
| State Government                                  | 38,200           | 35,900           | 33,100           | 33,500           | 32,300           |
| Local Government                                  | 113,500          | 111,800          | 115,200          | 117,700          | 121,400          |
| <b>Total, All Industries</b> <sup>(3)</sup>       | <b>1,097,900</b> | <b>1,130,800</b> | <b>1,175,800</b> | <b>1,185,100</b> | <b>1,184,300</b> |

(1) Labor force data is by place of residence; includes self-employed individuals, unpaid family workers, household domestic workers, and workers on strike.

(2) Industry employment is by place of work; excludes self-employed individuals, unpaid family workers, household domestic workers, and workers on strike.

(3) Calculations may not foot due to rounding.

Source: State of California Employment Development Department.

The following tables show the major employers in the City and the County.

**CITY OF BERKELEY  
Major Employers  
2024**

| <u>Employer</u>                                  | <u>Number of Employees</u> | <u>% of Total Employment</u> |
|--------------------------------------------------|----------------------------|------------------------------|
| University of California Berkeley                | 13,847                     | 21.26%                       |
| Lawrence Berkeley National Laboratory            | 3,581                      | 5.50                         |
| Sutter East Bay Medical Foundation/Hospitals     | 2,031                      | 3.12                         |
| Berkeley Unified School District                 | 1,767                      | 2.71                         |
| City of Berkeley                                 | 1,764                      | 2.71                         |
| Bayer Corporation                                | 979                        | 1.50                         |
| Kaiser Permanente Medical Group                  | 959                        | 1.47                         |
| Siemens Corporation/Healthcare Diagnostics, Inc. | 594                        | 0.91                         |
| Berkeley Bowl Produce                            | 586                        | 0.90                         |
| YMCA of The Central Bay Area                     | 542                        | 0.83                         |

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*Source: City of Berkeley, Annual Comprehensive Financial Report for the Fiscal Year Ended June 30, 2024.*

**ALAMEDA COUNTY**  
**Major Employers**  
**(Listed Alphabetically)**  
**As of April 2025**

| <b>Employer Name</b>           | <b>Location</b> | <b>Industry</b>                          |
|--------------------------------|-----------------|------------------------------------------|
| Alameda County Law Enforcement | Oakland         | Government Offices-County                |
| Alameda County Sheriff's Dept  | San Leandro     | Government Offices-County                |
| Alameda County Sheriff's Ofc   | Oakland         | Government Offices-County                |
| Alta Bates Summit Med Ctr Alta | Berkeley        | Hospitals                                |
| BART PD                        | Oakland         | Transit Lines                            |
| California State Univ East Bay | Hayward         | Schools-Universities & Colleges Academic |
| Cooper Vision Inc              | Pleasanton      | Optical Goods-Wholesale                  |
| Dell EMC                       | Pleasanton      | Computer Storage Devices (mfrs)          |
| East Bay Muni Utility Dist     | Oakland         | Water & Sewage Companies-Utility         |
| Kaiser Permanente Oakland Med  | Oakland         | Hospitals                                |
| Lawrence Berkeley Lab          | Berkeley        | Laboratories-Research & Development      |
| Lawrence Livermore Natl Lab    | Livermore       | University-College Dept/Facility/Office  |
| Peoplesoft Inc                 | Pleasanton      | Computer Software-Manufacturers          |
| Ross Stores Inc                | Dublin          | Department Stores                        |
| Sanfrancisco Bayarea Rapid     | Oakland         | Transit Lines                            |
| Stanford Health Care-Vllycr    | Livermore       | Clinics                                  |
| Tesla Fremont Factory          | Fremont         | Automobile-Manufacturers                 |
| Transportation Dept-California | Oakland         | Government Offices-State                 |
| UCSF Benioff Children's Hosp   | Oakland         | Hospitals                                |
| University of CA Berkeley      | Berkeley        | Schools-Universities & Colleges Academic |
| University of Ca-Berkeley      | Berkeley        | University-College Dept/Facility/Office  |
| University-Ca-Berkeley Dept    | Berkeley        | University-College Dept/Facility/Office  |
| Valley Care Health System      | Livermore       | Health Services                          |

Source: California Employment Development Department, extracted from The America's Labor Market Information System (ALMIS) Employer Database, 2025 1st Edition.

## Effective Buying Income

“Effective Buying Income” is defined as personal income less personal tax and nontax payments, a number often referred to as “disposable” or “after-tax” income. Personal income is the aggregate of wages and salaries, other labor-related income (such as employer contributions to private pension funds), proprietor’s income, rental income (which includes imputed rental income of owner-occupants of non-farm dwellings), dividends paid by corporations, interest income from all sources, and transfer payments (such as pensions and welfare assistance). Deducted from this total are personal taxes (federal, state and local), nontax payments (fines, fees, penalties, etc.) and personal contributions to social insurance. According to U.S. government definitions, the resultant figure is commonly known as “disposable personal income.”

The following table summarizes the total effective buying income and median household effective buying income for the City, the County, the State and the United States for the period 2021 through 2025.

**CITY OF BERKELEY; ALAMEDA COUNTY;  
STATE OF CALIFORNIA; UNITED STATES  
Effective Buying Income  
2021 through 2025**

| <b>Year</b> | <b>Area</b>      | <b>Total Effective<br/>Buying Income<br/>(000's Omitted)</b> | <b>Median<br/>Household<br/>Effective Buying<br/>Income</b> |
|-------------|------------------|--------------------------------------------------------------|-------------------------------------------------------------|
| 2021        | City of Berkeley | \$6,203,796                                                  | \$79,437                                                    |
|             | Alameda County   | 77,794,202                                                   | 88,389                                                      |
|             | California       | 1,290,894,604                                                | 67,956                                                      |
|             | United States    | 9,809,944,764                                                | 56,790                                                      |
| 2022        | City of Berkeley | \$6,646,946                                                  | \$88,676                                                    |
|             | Alameda County   | 85,225,529                                                   | 99,940                                                      |
|             | California       | 1,452,426,153                                                | 77,058                                                      |
|             | United States    | 11,208,582,541                                               | 64,448                                                      |
| 2023        | City of Berkeley | \$6,074,419                                                  | \$88,720                                                    |
|             | Alameda County   | 80,766,211                                                   | 98,721                                                      |
|             | California       | 1,461,799,662                                                | 77,175                                                      |
|             | United States    | 11,454,846,397                                               | 65,326                                                      |
| 2024        | City of Berkeley | \$6,251,098                                                  | \$89,175                                                    |
|             | Alameda County   | 84,213,255                                                   | 101,689                                                     |
|             | California       | 1,510,708,521                                                | 80,973                                                      |
|             | United States    | 11,987,185,826                                               | 67,876                                                      |
| 2025        | City of Berkeley | \$6,486,075                                                  | \$89,591                                                    |
|             | Alameda County   | 88,476,678                                                   | 106,127                                                     |
|             | California       | 1,557,429,767                                                | 82,725                                                      |
|             | United States    | 12,525,577,707                                               | 69,687                                                      |

Source: Claritas, LLC.

## Construction Activity

Provided below are the building permits and valuations for the City and County for calendar years 2019 through 2023.

### CITY OF BERKELEY Total Building Permit Valuations (Valuations in Thousands)

|                            | 2019            | 2020            | 2021            | 2022            | 2023            |
|----------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| <u>Permit Valuation</u>    |                 |                 |                 |                 |                 |
| New Single-family          | \$9,666.3       | \$6,444.7       | \$13,533.1      | \$9,058.9       | \$18,885.4      |
| New Multi-family           | 7,513.6         | 12,643.5        | 53,032.6        | 12,373.6        | 22,887.6        |
| Res. Alterations/Additions | <u>40,596.9</u> | <u>26,204.9</u> | <u>47,099.2</u> | <u>28,834.2</u> | <u>36,880.3</u> |
| Total Residential          | 57,776.8        | 45,293.1        | 113,664.9       | 50,266.7        | 78,653.3        |
| New Commercial             | 10,816.3        | 25,867.1        | 15,167.2        | 5,577.0         | 0.0             |
| New Industrial             | 0.0             | 0.0             | 0.0             | 0.0             | 0.0             |
| New Other                  | 4,718.7         | 272.0           | 1,760.3         | 3,501.9         | 2,024.2         |
| Com. Alterations/Additions | <u>12,885.4</u> | <u>23,290.5</u> | <u>65,213.8</u> | <u>13,158.1</u> | <u>21,111.1</u> |
| Total Nonresidential       | 28,420.4        | 49,429.6        | 82,141.3        | 22,237.0        | 23,135.3        |
| New Dwelling Units         |                 |                 |                 |                 |                 |
| Single Family              | 46              | 21              | 69              | 40              | 70              |
| Multiple Family            | <u>42</u>       | <u>117</u>      | <u>286</u>      | <u>72</u>       | <u>384</u>      |
| TOTAL                      | 88              | 138             | 355             | 112             | 454             |

Source: Construction Industry Research Board, Building Permit Summary.

### ALAMEDA COUNTY Total Building Permit Valuations (Valuations in Thousands)

|                            | 2019             | 2020             | 2021             | 2022             | 2023             |
|----------------------------|------------------|------------------|------------------|------------------|------------------|
| <u>Permit Valuation</u>    |                  |                  |                  |                  |                  |
| New Single-family          | \$675,129.8      | \$394,500.3      | \$407,585.0      | \$339,046.4      | \$332,289.9      |
| New Multi-family           | 782,536.4        | 722,038.0        | 829,822.2        | 795,917.3        | 507,952.9        |
| Res. Alterations/Additions | <u>512,409.9</u> | <u>293,866.8</u> | <u>222,971.3</u> | <u>323,712.1</u> | <u>425,659.0</u> |
| Total Residential          | 1,970,076.1      | 1,410,405.1      | 1,460,378.5      | 1,458,675.8      | \$1,265,901.8    |
| New Commercial             | 718,569.0        | 238,516.5        | 312,914.6        | 268,498.1        | 405,330.0        |
| New Industrial             | 5,638.5          | 0.0              | 600.0            | 33,740.8         | 65,576.2         |
| New Other                  | 78,049.8         | 131,447.0        | 110,817.0        | 120,294.6        | 94,551.2         |
| Com. Alterations/Additions | <u>992,668.1</u> | <u>628,230.5</u> | <u>892,656.8</u> | <u>993,782.1</u> | <u>852,215.1</u> |
| Total Nonresidential       | 1,794,925.4      | 998,194.0        | 1,316,988.4      | 1,416,315.6      | \$1,417,672.5    |
| New Dwelling Units         |                  |                  |                  |                  |                  |
| Single Family              | 1,871            | 1,152            | 1,589            | 1,175            | 1,061            |
| Multiple Family            | <u>4,145</u>     | <u>2,610</u>     | <u>4,494</u>     | <u>3,366</u>     | <u>3,686</u>     |
| TOTAL                      | 6,016            | 3,762            | 6,083            | 4,541            | 4,747            |

Source: Construction Industry Research Board, Building Permit Summary.

**APPENDIX B**

**THE CITY'S ANNUAL COMPREHENSIVE FINANCIAL REPORT  
FOR YEAR ENDED JUNE 30, 2024**

**APPENDIX C**  
**FORM OF OPINION OF BOND COUNSEL**

[ ], 2025

City Council  
City of Berkeley  
2180 Milvia Street  
Berkeley, California 94704

**OPINION:** \$[ ] City of Berkeley, California  
2025-26 Tax and Revenue Anticipation Notes

Members of the City Council:

We have acted as bond counsel to the City of Berkeley, California (the "City") in connection with the issuance by the City, of the tax and revenue anticipation notes captioned above, dated the date hereof (the "Notes"). In such capacity, we have examined such law and such certified proceedings, certifications and other documents as we deem necessary to render this opinion.

The Notes are issued pursuant to Article 7.6 (commencing with Section 53850) of Chapter 4, Part 1, Division 2, Title 5 of the California Government Code (the "Act"), and a resolution (the "Resolution") of the City Council of the City, adopted on [ ], 2025.

Regarding questions of fact material to our opinion, we have relied upon representations of the City in the Resolution, and on the certified proceedings and other certifications of public officials and others furnished to us, without undertaking to verify the same by independent investigation. Regarding certain questions of law material to our opinion, we have assumed the correctness of certain legal conclusions contained in the written opinions of City Attorney, and others, without undertaking to verify the same by independent investigation.

Based on the foregoing, we are of the opinion that, under existing law:

1. The City is a duly created and validly existing municipal corporation and charter city with the power to adopt the Resolution, perform the agreements on its part contained therein and issue the Notes.
2. The Resolution constitutes a valid and binding obligation of the City, enforceable against the City.
3. Pursuant to the Act, the Resolution creates a first lien on funds pledged by the Resolution for the security of the Notes.

4. The Notes have been duly authorized and executed by the City and are valid and binding general obligations of the City.

5. The interest on the Notes is excluded from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax. It should be noted however that interest on the Notes may be subject to the corporate alternative minimum tax. The opinions set forth in the preceding sentences are subject to the condition that the City comply with all requirements of the Internal Revenue Code of 1986, as amended, that must be satisfied subsequent to the issuance of the Notes in order that the interest thereon be, and continue to be, excludable from gross income for federal income tax purposes. The City has made certain representations and covenants in order to comply with each such requirement. Inaccuracy of those representations, or failure to comply with certain of those covenants, may cause the inclusion of such interest in gross income for federal income tax purposes, which may be retroactive to the date of issuance of the Notes.

6. The interest on the Notes is exempt from personal income taxation imposed by the State of California.

We express no opinion regarding any other tax consequences arising with respect to the ownership, sale or disposition of, or the amount, accrual or receipt of interest on, the Notes.

The rights of the owners of the Notes and the enforceability of the Notes are limited by bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights generally, and by equitable principles, whether considered at law or in equity.

This opinion is given as of the date hereof, and we assume no obligation to revise or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention, or any changes in law that may hereafter occur. Moreover, our opinions are not a guarantee of a particular result, and are not binding on the Internal Revenue Service or any court; rather, our opinions represent our legal judgment based upon our review of existing law that we deem relevant to such opinions, and any assumptions expressed herein, and in reliance upon the representations, covenants and opinions referenced above. Our engagement with respect to this matter has terminated as of the date hereof.

Respectfully submitted,

A Professional Law Corporation

## APPENDIX D

### FORM OF CONTINUING DISCLOSURE CERTIFICATE

This Continuing Disclosure Certificate (the “**Disclosure Certificate**”) is executed and delivered by the City of Berkeley (the “**City**”) in connection with the issuance by the City, of the \$\_\_\_\_\_ City of Berkeley 2025-26 Tax and Revenue Anticipation Notes (the “**Notes**”). The Notes are being issued pursuant to a resolution adopted by the City Council of the City on June 24, 2025 (the “**Resolution**”). The City covenants and agrees as follows:

Section 1. Purpose of the Disclosure Certificate. This Disclosure Certificate is being executed and delivered by the City for the benefit of the holders and beneficial owners of the Notes and in order to assist the Participating Underwriters in complying with S.E.C. Rule 15c2-12(b)(5).

Section 2. Definitions. In addition to the definitions set forth in the Resolution, which apply to any capitalized term used in this Disclosure Certificate unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

“**Dissemination Agent**” shall mean NHA Advisors, LLC, or any successor Dissemination Agent designated in writing by the City and which has filed with the City a written acceptance of such designation.

“**Listed Events**” shall mean any of the events listed in Section 3(a) of this Disclosure Certificate.

“**MSRB**” means the Municipal Securities Rulemaking Board, which has been designated by the Securities and Exchange Commission as the sole repository of disclosure information for purposes of the Rule.

“**Participating Underwriter**” shall mean any of the original underwriters of the Notes required to comply with the Rule in connection with offering of the Notes.

“**Rule**” shall mean Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

#### Section 3. Reporting of Significant Events.

(a) Pursuant to the provisions of this Section 3, the City shall give, or cause to be given, notice of the occurrence of any of the following Listed Events with respect to the Notes:

- (1) Principal and interest payment delinquencies.
- (2) Non-payment related defaults, if material.
- (3) Unscheduled draws on debt service reserves reflecting financial difficulties.
- (4) Unscheduled draws on credit enhancements reflecting financial difficulties.
- (5) Substitution of credit or liquidity providers, or their failure to perform.

- (6) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the security, or other material events affecting the tax status of the security.
- (7) Modifications to rights of security holders, if material.
- (8) Bond calls, if material, and tender offers.
- (9) Defeasances.
- (10) Release, substitution, or sale of property securing repayment of the securities, if material.
- (11) Rating changes.
- (12) Bankruptcy, insolvency, receivership or similar event of the City or other obligated person.
- (13) The consummation of a merger, consolidation, or acquisition involving the City or an obligated person, or the sale of all or substantially all of the assets of the City or an obligated person (other than in the ordinary course of business), the entry into a definitive agreement to undertake such an action, or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material.
- (14) Appointment of a successor or additional trustee or the change of name of a trustee, if material.
- (15) Incurrence of a financial obligation of the obligated person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the obligated person, any of which affect security holders, if material.
- (16) Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the obligated person, any of which reflect financial difficulties.

(b) Whenever the City obtains knowledge of the occurrence of a Listed Event, the City shall, or shall cause the Dissemination Agent (if not the City) to, file a notice of such occurrence with the MSRB, in an electronic format as prescribed by the MSRB, in a timely manner not in excess of 10 business days after the occurrence of the Listed Event. Notwithstanding the foregoing, notice of Listed Events described in subsections (a)(8) and (9) above need not be given under this subsection any earlier than the notice (if any) of the underlying event is given to holders of affected Notes under the Resolution.

(c) The City acknowledges that the events described in subparagraphs (a)(2), (a)(7), (a)(8) (if the event is a bond call), (a)(10), (a)(13), and (a)(14) of this Section 3 contain the qualifier

“if material.” The City shall cause a notice to be filed as set forth in paragraph (b) above with respect to any such event only to the extent that the City determines the event’s occurrence is material for purposes of U.S. federal securities law.

(d) For purposes of this Disclosure Certificate, any event described in paragraph (a)(12) above is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent, or similar officer for the City in a proceeding under the United States Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the City, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement, or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the City.

(e) For purposes of Section 3(a)(15) and (16), “financial obligation” means a (i) debt obligation; (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) guarantee of (i) or (ii). The term financial obligation shall not include municipal securities as to which a final official statement has been provided to the Municipal Securities Rulemaking Board consistent with the Rule.

Section 4. Termination of Reporting Obligation. The City’s obligations under this Disclosure Certificate shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Notes. If such termination occurs prior to the final maturity of the Notes, the City shall give notice of such termination in the same manner as for a Listed Event under Section 3(b).

Section 5. Dissemination Agent. The City may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Disclosure Certificate, and may discharge any such Agent, with or without appointing a successor Dissemination Agent. The initial Dissemination Agent shall be NHA Advisors, LLC.

Section 6. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Certificate, the City may amend this Disclosure Certificate, and any provision of this Disclosure Certificate may be waived, provided that the following conditions are satisfied:

(a) if the amendment or waiver relates to the provisions of Section 3(a) it may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature, or status of an obligated person with respect to the Notes, or type of business conducted;

(b) the undertakings herein, as proposed to be amended or waived, would, in the opinion of nationally recognized bond counsel, have complied with the requirements of the Rule at the time of the primary offering of the Notes, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(c) the proposed amendment or waiver either (i) is approved by holders of the Notes, or (ii) does not, in the opinion of nationally recognized bond counsel, materially impair the interests of the holders or beneficial owners of the Notes.

Section 7. Additional Information. Nothing in this Disclosure Certificate shall be deemed to prevent the City from disseminating any other information, using the means of dissemination set forth in this Disclosure Certificate or any other means of communication, or including any other information in any notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Certificate. If the City chooses to include any information in any notice of occurrence of a Listed Event in addition to that which is specifically required by this Disclosure Certificate, the City shall have no obligation under this Disclosure Certificate to update such information or include it in any future notice of occurrence of a Listed Event.

Section 8. Default. In the event of a failure of the City to comply with any provision of this Disclosure Certificate any holder or beneficial owner of the Notes may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the City to comply with its obligations under this Disclosure Certificate. A default under this Disclosure Certificate shall not be deemed an Event of Default under the Resolution, and the sole remedy under this Disclosure Certificate in the event of any failure of the City to comply with this Disclosure Certificate shall be an action to compel performance.

Section 9. Duties, Immunities and Liabilities of Dissemination Agent. The Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Certificate, and the City agrees to indemnify and save the Dissemination Agent, its officers, directors, employees and agents, harmless against any loss, expense and liabilities which it may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including attorneys' fees) of defending against any claim of liability, but excluding liabilities due to the Dissemination Agent's negligence or willful misconduct. The obligations of the City under this Section shall survive resignation or removal of the Dissemination Agent and payment of the Notes.

Section 10. Beneficiaries. This Disclosure Certificate shall inure solely to the benefit of the City, the Dissemination Agent, the Participating Underwriters and holders and beneficial owners from time to time of the Notes and shall create no rights in any other person or entity.

Date: \_\_\_\_\_, 2025

CITY OF BERKELEY

By \_\_\_\_\_  
City Manager

## APPENDIX E

## DTC AND THE BOOK-ENTRY ONLY SYSTEM

*The following description of the Depository Trust Company (“DTC”), the procedures and record keeping with respect to beneficial ownership interests in the Notes, payment of principal, interest and other payments on the Notes to DTC Participants or Beneficial Owners, confirmation and transfer of beneficial ownership interest in the Notes and other related transactions by and between DTC, the DTC Participants and the Beneficial Owners is based solely on information provided by DTC. Accordingly, no representations can be made concerning these matters and neither the DTC Participants nor the Beneficial Owners should rely on the foregoing information with respect to such matters, but should instead confirm the same with DTC or the DTC Participants, as the case may be.*

*Neither the issuer of the Notes (the “**Issuer**”) nor the trustee, fiscal agent or paying agent appointed with respect to the Notes (the “**Agent**”) take any responsibility for the information contained in this Appendix.*

*No assurances can be given that DTC, DTC Participants or Indirect Participants will distribute to the Beneficial Owners (a) payments of interest, principal or premium, if any, with respect to the Notes, (b) certificates representing ownership interest in or other confirmation or ownership interest in the Notes, or (c) redemption or other notices sent to DTC or Cede & Co., its nominee, as the registered owner of the Notes, or that they will so do on a timely basis, or that DTC, DTC Participants or DTC Indirect Participants will act in the manner described in this Appendix. The current “**Rules**” applicable to DTC are on file with the Securities and Exchange Commission and the current “**Procedures**” of DTC to be followed in dealing with DTC Participants are on file with DTC.*

1. The Depository Trust Company (“DTC”), New York, NY, will act as securities depository for the securities (the “**Securities**”). The Securities will be issued as fully-registered securities registered in the name of Cede & Co. (DTC’s partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Security certificate will be issued for each issue of the Securities, each in the aggregate principal amount of such issue, and will be deposited with DTC. If, however, the aggregate principal amount of any issue exceeds \$500 million, one certificate will be issued with respect to each \$500 million of principal amount, and an additional certificate will be issued with respect to any remaining principal amount of such issue.

2. DTC, the world’s largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a “banking organization” within the meaning of the New York Banking Law, a member of the Federal Reserve System, a “clearing corporation” within the meaning of the New York Uniform Commercial Code, and a “clearing agency” registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC’s participants (“**Direct Participants**”) deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants’ accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust

companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation (“**DTCC**”). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (“Indirect Participants”). DTC has a Standard & Poor’s rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at [www.dtcc.com](http://www.dtcc.com).

3. Purchases of Securities under the DTC system must be made by or through Direct Participants, which will receive a credit for the Securities on DTC’s records. The ownership interest of each actual purchaser of each Security (“**Beneficial Owner**”) is in turn to be recorded on the Direct and Indirect Participants’ records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Securities are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Securities, except in the event that use of the book-entry system for the Securities is discontinued.

4. To facilitate subsequent transfers, all Securities deposited by Direct Participants with DTC are registered in the name of DTC’s partnership nominee, Cede & Co. or such other name as may be requested by an authorized representative of DTC. The deposit of Securities with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Securities; DTC’s records reflect only the identity of the Direct Participants to whose accounts such Securities are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

5. Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Securities may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Securities, such as redemptions, tenders, defaults, and proposed amendments to the Security documents. For example, Beneficial Owners of Securities may wish to ascertain that the nominee holding the Securities for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

6. Redemption notices shall be sent to DTC. If less than all of the Securities within an issue are being redeemed, DTC’s practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

7. Neither DTC nor Cede & Co. (nor such other DTC nominee) will consent or vote with respect to Securities unless authorized by a Direct Participant in accordance with DTC’s MMI

Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to Issuer as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Securities are credited on the record date (identified in a listing attached to the Omnibus Proxy).

8. Redemption proceeds, distributions, and interest payments on the Securities will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts, upon DTC's receipt of funds and corresponding detail information from Issuer or Agent on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, Agent, or Issuer, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of Issuer or Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

9. DTC may discontinue providing its services as securities depository with respect to the Securities at any time by giving reasonable notice to Issuer or Agent. Under such circumstances, in the event that a successor depository is not obtained, Security certificates are required to be printed and delivered.

10. Issuer may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, Security certificates will be printed and delivered to DTC.

11. The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that Issuer believes to be reliable, but Issuer takes no responsibility for the accuracy thereof.



Office of the City Manager

INFORMATION CALENDAR

June 24, 2025

To: Honorable Mayor and Members of the City Council  
 From: Paul Buddenhagen, City Manager  
 Submitted by: David White, Deputy City Manager  
 Subject: Voluntary Time Off Program for Fiscal Year 2026

INTRODUCTION

As a citywide cost-saving measure, the City Manager is designating 16 Voluntary Time Off (VTO) days in Fiscal Year 2026 (July 1, 2025 to June 30, 2026) and authorizing certain City offices and non-essential services to temporarily close for those days.

CURRENT SITUATION AND ITS EFFECTS

The proposed 16 VTO dates will fall on a schedule similar to Fiscal Year 2025, with City offices generally closing on every second Friday, with additional days the last week in December 2025 (December 22 - December 26). The following are the proposed VTO Days:

| Date (2025)  | Day                   | Date (2026) | Day                  |
|--------------|-----------------------|-------------|----------------------|
| July 11      | Friday                | January 9   | Friday               |
| August 8     | Friday                | February 13 | Friday               |
| September 12 | Friday                | March 13    | Friday               |
| October 10   | Friday                | April 10    | Friday               |
| November 7*  | Friday                | May 8       | Friday               |
| December 12  | Friday                | June 12     | Friday               |
| December 22  | Monday                |             |                      |
| December 23  | Tuesday               |             |                      |
| December 24  | Wednesday             |             |                      |
| December 26  | Friday                |             |                      |
|              | <b>10 days (2025)</b> |             | <b>6 days (2026)</b> |

\* VTO day in November is moved to November 7 to minimize the impact on payroll processing.

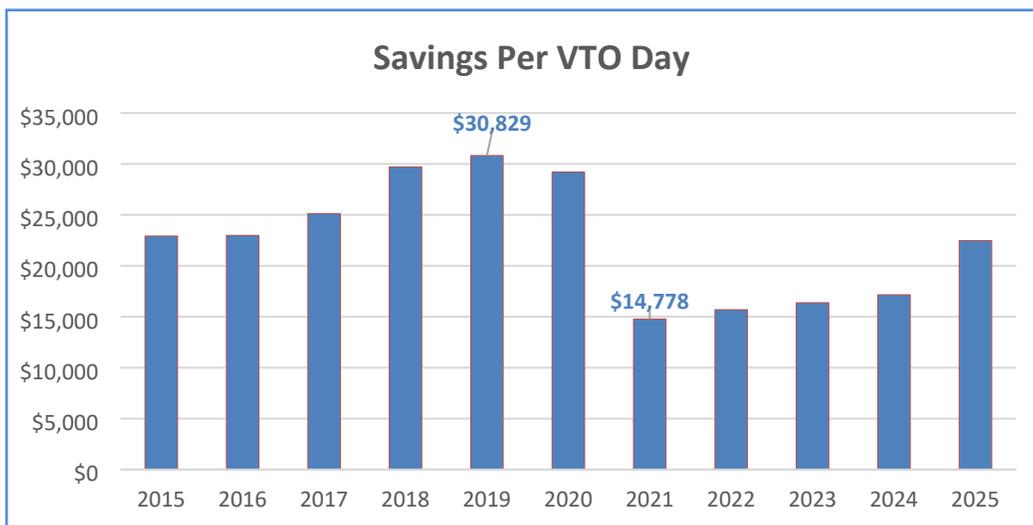
The purpose of VTO days is to generate savings to help balance the budget. The program is projected to achieve a savings of \$359,231 for all funds in Fiscal Year 2025. Since FY 2021, the actual savings per VTO day have been lower compared to previous fiscal years, primarily due to the closure of City facilities and the implementation of remote work arrangements. A hybrid work schedule for City employees remains in place. Nonetheless, the program is still recommended to continue in Fiscal Year 2026.

**Voluntary Time Off Salary Savings**

| Fiscal Year | Number of VTO Days | Base Salary Savings | Savings Per VTO Day |
|-------------|--------------------|---------------------|---------------------|
| 2015        | 16                 | \$ 366,853          | \$ 22,928           |
| 2016        | 16                 | \$ 367,821          | \$ 22,989           |
| 2017        | 16                 | \$ 402,070          | \$ 25,129           |
| 2018        | 16                 | \$ 475,400          | \$ 29,713           |
| 2019        | 17                 | \$ 524,086          | \$ 30,829           |
| 2020        | 16                 | \$ 467,108          | \$ 29,194           |
| 2021        | 17                 | \$ 251,229          | \$ 14,778           |
| 2022        | 16                 | \$ 251,148          | \$ 15,697           |
| 2023        | 16                 | \$ 261,628          | \$ 16,352           |
| 2024        | 16                 | \$ 274,582          | \$ 17,161           |
| 2025        | 16                 | \$ *359,231         | \$ 22,452           |

\*Annualized projection

The VTO program is recommended to continue in Fiscal Year 2026 and will be reevaluated at a later time to determine whether the VTO program will also be implemented in Fiscal Year 2027. As shown in the chart below, the average savings per VTO day within the last decade ranged from \$14,800 to \$30,800.



In Fiscal Year 2025, staff considered the impact that the VTO days had on City services. It was determined that the VTO days were, in general, not having a significant detrimental effect on the City's ability to provide quality services. Potential inconveniences to residents were mitigated in several ways, including keeping the 311 Customer Call Center open on VTO days, adjusting due dates for fines, and posting clear signs in advance of closure dates.

### BACKGROUND

The concept for a VTO program was proposed in 2004 by the labor unions representing non-sworn employees as an alternative to a mandatory closure of City offices ("furloughs") and staff layoffs. The VTO program designates certain days that City offices are closed to the public while allowing staff to take paid or unpaid leave, or voluntarily report to work. The VTO closures have permitted staff to reduce their vacation leave balances, and eliminate the costly past practice of buying back vacation leave balances, which in turn has allowed the City to reduce its cost to pay out accrued vacation leave upon an employee's separation from employment. It has also been used by departments to help them reach their annual target savings.

Likewise, the City Council approved a recommendation that designates any Statewide Election, including Primary and Special Statewide Elections, as VTO days<sup>1</sup>. Election Day occurs on the Tuesday after the first Monday in November of each even-numbered year, with the corresponding Primary Day occurring on the Tuesday after the first Monday of March.

**Service Impacts:** The VTO program has generated minimal complaints from the public regarding the office closures and reduced services because many key services remain open to the public, while other services can be provided on a callback basis.

During VTO days, customer service counters at the Finance Customer Service Center and Permit Service Center are closed to the public. When Customer Service Center offices are closed, customers may access the drop box which is located outside the 1947 Center Street building. Customers are redirected to access the drop box through signage to the Rent Board Office at 2125 Milvia Street on VTO days in the last week of December. When the Permit Service Center is closed, building inspection services continue to be available to the public when City approvals are required for time-sensitive projects. The permit mailbox has been configured to accept emails from applicants on VTO days including applications for all types of building related permits. In addition, Permit Service Center cashiers work most of the VTO days to return customer calls and process payments. The City will continue to notify the public of City VTO closure dates through public noticing, the press, voicemail messages, and signage.

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[https://records.cityofberkeley.info/PublicAccess/api/Document/AflClpxxSiesVU%C3%81UeV6uHvDcSM347Ko0EvBQfWOAcMZctkvZVLhegoOT5Gsbt38OjQY6FVXdfzeliGPO5gabOg4=](https://records.cityofberkeley.info/PublicAccess/api/Document/AflClpxxSiesVU%C3%81UeV6uHvDcSM347Ko0EvBQfWOAcMZctkvZVLhegoOT5Gsbt38OjQY6FVXdfzeliGPO5gabOg4=/)

The Voluntary Time Off Program for Fiscal Year 2026 is a Strategic Plan Priority, advancing our goal to provide an efficient and financially-healthy City government.

ENVIRONMENTAL SUSTAINABILITY AND CLIMATE IMPACTS

VTO days may reduce vehicle miles traveled associated with City employees' work commute. Otherwise, there are no identifiable environmental and climate effects or opportunities associated with the subject of this report.

POSSIBLE FUTURE ACTION

The City is continuing the VTO program in Fiscal Year 2026. The City Manager will reassess the economic impact as well as the cost benefit to the public of continuing these temporary closures of City offices for Fiscal Year 2027.

FISCAL IMPACTS OF POSSIBLE FUTURE ACTION

Cost savings are achieved on an annual basis from the VTO program. Since Fiscal Year 2014, annual cost savings ranging from \$251,000 to \$524,000 have been achieved from the VTO program.

CONTACT PERSON

Monica Walker, Interim Director of Human Resources, 981-6800  
David White, Deputy City Manager, 981-7000



Office of the City Manager

INFORMATION CALENDAR  
June 24, 2025

To: Honorable Mayor and Members of the City Council  
From: Paul Buddenhagen, City Manager  
Submitted by: Henry Oyekanmi, Director, Finance Department  
Subject: FY 2025 Third Quarter Investment Report: Ended March 31, 2025

**SUMMARY**

The City's investment policy requires that a quarterly investment report be submitted to the City Council on the status of the investment portfolio. The report includes all investments managed by the City of Berkeley and provides information on the types, values (par, book, and market), term, and yield of each security.

- The return on pooled investments for the quarter ended March 31, 2025 was 3.01%, 131 basis points less than the 4.32% earned by the State Local Agency Investment Fund (State LAIF), which is the benchmark for investment performance used by the City. The returns earned on State LAIF's portfolio are currently higher because it has a much shorter maturity than the City and current rates are much higher than the rates earned on investments that were in the City's portfolio before the Fed raised rates to 5.50% from 0% to .25%.

The return on pooled investments of 3.01% for the quarter ended March 31, 2025 was 11 basis points more than the rate of 2.90% earned in the quarter ended December 31, 2024.

- The average return on all Retiree Medical Trust Fund investments was 4.64% for the quarter ended March 31, 2025.

**CURRENT SITUATION AND ITS EFFECTS**

Attached is a summary of the quarterly report for fiscal year 2025 Third Quarter ending March 31, 2025 representing the status of the City's investment portfolio. The report includes all investments managed by the City of Berkeley and provides information on the values (par, book, and market), term, and yield of each security.

Summary information by type of security and detailed information on each security is provided on Exhibit 2-A. An evaluation of portfolio performance for this accounting period compared to the previous three accounting periods is also included in Attachment 1.

## **A. Portfolio Results**

### **1. Selection and Comparison of Results with Benchmarks**

As a result of the differences in the investment policies of different cities, including responsible investing policies, maturity restrictions, investment restrictions, etc., it was difficult for the City of Berkeley to come up with a reasonable performance measure for pooled cash investments. In order to provide some measure of the relative performance of the City's investment returns, many years ago the City established the State Local Agency Investment Fund (LAIF) as the performance measure to be reported in the quarterly investment reports, since many local governments invested significant portions of their investment portfolios in LAIF.

LAIF was intended to be a reference point to compare the City's investment performance against, rather than a true performance measure, since most cities typically earn a yield higher than LAIF in normal interest rate environments, and because LAIF's average maturity of its investments is normally shorter than that of most cities. As a result, past City Councilmembers requested that information about the rates earned by other California cities be included in the quarterly investment reports for comparison purposes, despite the differences in the investment policies of the various cities.

The most significant difference in investment policies is the maximum period of the investments. The impact of this difference between the various cities has played out in the interest rate environment since the Fed unexpectedly raised short-term interest rates from zero percent to 5.5 percent from March 17, 2022 to July 26, 2023, to combat sharply rising inflation that the Fed thought was "transitory" and under control:

- First, it is important to summarize the interest rate environment that existed the quarter before the Fed started raising the Federal Funds rate on March 17, 2022: At that time, interest rates were around 1% and the interest rates earned by selected California cities ranged between .23% and 1.62%, with an average of .94%. Furthermore, the city that was at the top of the list back then is at the bottom of the list in the Third Quarter FY 2025 investment report because of a longer average maturity of its investments;
- Since the Fed thought the rise in inflation was "transitory", there was no warning that Fed monetary policy would immediately reverse from easing to tightening. As a result, it is reasonable to assume that portfolios were loaded with investments that were yielding between 1% to 2%. In addition, the Fed did not give the market

any indication how long or how high it would raise rates. It kept indicating that it felt the increase in inflation was “transitory”;

- Bond prices and interest rates have an inverse relationship. When interest rates rise, bond prices fall and vice versa. As the Fed started raising rates, the market values of the investments declined. If investments were sold at that time, the city selling would incur large investment losses, so the only reasonable option was to hold the investments to maturity, since the Fed was not indicating how high it would raise rates;
- The investments yielding 1% to 2% of cities with short average investment maturities matured sooner than cities with longer average investment maturities. As a result, the former cities were able to reinvest at the current higher rates and have higher interest rates earned, while cities with longer average investment maturities had to wait for their low-yielding investments to mature to reinvest. For example, the City of Berkeley’s investment portfolio held \$263.3 million (or 40.0% of the City’s portfolio at that time) of such investments that will mature in CY 2026- See Exhibit 2-F.

2. Liquidity of Portfolio:

The average investment in the pooled portfolio matures in 763 days as of March 31, 2025. This is 72 days less than the 835 maturity days as of December 31, 2024.

3. Comparison of Results to Performance Measures – Pooled investments: Quarter Ended March 31, 2025

The City’s yield on investments for the quarter ended March 31, 2025 was 3.01%, an increase of 11 basis points (.11%) from the 2.90 earned during the quarter ended March 31, 2025. The average yield on a 91-day Treasury bill at the end of the quarter ended March 31, 2025 was 4.29%, an increase of 2 basis points (0.02%) from the 4.27% at the end of the previous quarter.

As summarized in Table 1, staff’s overall results were under the performance measure for the quarter by 131 basis points. Staff’s performance was under the performance measure in January by approximately 142 basis points (-1.42%); under the performance measure in February by approximately 116 basis points (-1.16%); and, was under the performance measure in March by approximately 136 basis points (-1.36%). The performance measure for the return on investments is compared to the rate of return of the State LAIF.

**Table 1**

| <b>For Quarter Ending March 31, 2025</b> |             |                   |                   |
|------------------------------------------|-------------|-------------------|-------------------|
| <b>Period</b>                            | <b>City</b> | <b>State LAIF</b> | <b>Difference</b> |
| January 25                               | 2.95%       | 4.37%             | -1.42%            |
| February 25                              | 3.15%       | 4.31%             | -1.16%            |
| March 25                                 | 2.92%       | 4.28%             | -1.36%            |
| January -March 25                        | 3.01%       | 4.32%             | -1.31%            |

4. Investment Results-Retiree Health Insurance Funds:

Average interest rates earned on the retiree health insurance trust funds for the quarter ended March 31, 2025 compared to the quarter ended December 31 2024, were as follows:

**Table 2**

| <b>EARNED INTEREST RATES</b>                              |                            |                             |
|-----------------------------------------------------------|----------------------------|-----------------------------|
| <b>For Quarter Ended 3/31/2025 Compared To 12/31/2024</b> |                            |                             |
| <b>Trust Fund</b>                                         | <b>3rd Qtr<br/>3/31/25</b> | <b>2nd Qtr<br/>12/31/24</b> |
| Retiree Medical Trust Fund (Misc Employees)               | 5.35%                      | 5.23%                       |
| Fire Retiree Medical Trust Fund                           | 4.70%                      | 4.23%                       |
| Police Retiree Medical Trust Fund                         | 3.87%                      | 3.40%                       |

The rates earned on these plans are expected to continue to increase slightly, as staff used the investment authority granted by Council to purchase long-term bonds as rates move higher.

Details related to retiree health trust fund investments are in Attachment 3, Exhibits 3-A, 3-B, and 3-C of this report.

## **B. Discussion of Interest Rate Environment and Outlook**

### Yield Trend

#### Federal Reserve Board March 19, 2025 Statement

Recent indicators suggest that economic activity has continued to expand at a solid pace. The unemployment rate has stabilized at a low level in recent months, and labor market conditions remain solid. Inflation remains somewhat elevated. The Committee seeks to achieve maximum employment and inflation at the rate of 2 percent over the longer run. Uncertainty around the economic outlook has increased. The Committee is attentive to the risks to both sides of its dual mandate. In support of its goals, the Committee decided to maintain the target range for the federal funds rate at 4-1/4 to 4-1/2 percent. In considering the extent and timing of additional adjustments to the target range for the federal funds rate, the Committee will carefully assess incoming data, the evolving outlook, and the balance of risks. The Committee will continue reducing its holdings of Treasury securities and agency debt and agency mortgage-backed securities. Beginning in April, the Committee will slow the pace of decline of its securities holdings by reducing the monthly redemption cap on Treasury securities from \$25 billion to \$5 billion. The Committee will maintain the monthly redemption cap on agency debt and agency mortgage-backed securities at \$35 billion. The Committee is strongly committed to supporting maximum employment and returning inflation to its 2 percent objective. In assessing the appropriate stance of monetary policy, the Committee will continue to monitor the implications of incoming information for the economic outlook. The Committee would be prepared to adjust the stance of monetary policy as appropriate if risks emerge that could impede the attainment of the Committee's goals. The Committee's assessments will take into account a wide range of information, including readings on labor market conditions, inflation pressures and inflation expectations, and financial and international developments.

#### Investment Environment and Change in City's Investment Strategy

##### A. Investment Environment

At the time of the period covered by this investment report, the investment environment was as follows:

- After the Fed had raised short-term rates from zero percent to 5.50 percent between March 17, 2022 and July 26, 2023, many market participants expected quick moves by the Fed to lower rates and avoid a recession.
- However, the Fed was much more cautious. The Fed had indicated that it wouldn't start lowering rates until it was confident that its 2% target for inflation had been met and could be sustained. However, the rate has been stuck at a level of 2.6%-2.9% since May 2024, and currently at 2.6% as of March 2025. Despite that, the Fed lowered the Federal Funds rate by .50% on September 18, 2024, by .25% on

November 7, 2024, and by .25% on December 18, 2024, to a range of 4.25% to 4.50%.

1. Staff believes that the Fed was premature in making the rate cuts in September, November and December 2024, which will make the Fed reluctant to quickly lower short-term rates in CY 2025, for the following reasons: (1) The US had strong growth in the economy as reflected in Fourth quarter 2024 and First quarter 2025 (after adjusting for import increase to get ahead of the president's tariffs and the one-time decline in government expenditures made by the new Administration) Gross Domestic Product growth; and, (2) The Core Personal Consumption Expenditures (PCE) index (the Fed's favored inflation index) has moved down significantly to 2.6% in March 2025 versus the Fed's goal of 2.0%, but it has been stuck at a level of 2.6% to 2.8% for 11 months. Until the index moves to the 2.0% goal and stays there for a period of time, the Fed will likely refuse to lower short-term rates, especially if there is an upward monthly move in the Core PCE index in the near future;
  - The projected US current year 2025 federal budget deficit of \$1.9 trillion means the US will have to issue an additional \$1.9 trillion of bonds to fund this budget deficit. In addition, the president is threatening to raise tariffs on several countries, which will put additional upward pressure on inflation and long-term interest rates.
  - The Fed Balance Sheet of approximately \$6.72 trillion on March 31, 2025, will need to continue to be unwound, reducing demand for bonds in the future. Initially, the Fed was selling the securities and creating the problem that they were purchased by investment banks and other financial institutions. When this happened, the banks and other financial institutions had less cash and reserves to lend money to companies and individuals and to invest themselves, thereby putting upward pressure on long-term interest rates by increasing bond supply without a corresponding increase in bond demand. The Fed has since changed the policy to allow the securities to mature, instead of selling them.

#### B. Significant Changes in the Investment Environment Since the Period of This Report

The Fed was working towards loosening monetary policy and moving towards a Federal Funds rate that would be economically neutral (i.e., neither stimulate or slow down the economy) at around 3.5%. However, in April 2025, the president surprisingly implemented trade policies that will deliver much higher inflation, higher interest rates and a slowdown in the economy, all of which would impact the investment environment for the City. He has imposed tariffs on nearly every country in the world, but the one with the biggest economic impact was the 145% tariffs he has imposed on Chinese goods coming into the US. China retaliated with 125% tariffs on American goods going into China.

Entering 2025, the Fed was already reluctant to lower short-term interest rates because the core personal consumption expenditures index (PCE) was still above the Fed's 2% goal and it was stuck around 2.8%, even though it had declined substantially. The

president's tariffs will significantly increase the core PCE index, so the Fed is unlikely to lower short-term rates under these circumstances

At its March 19, 2025 meeting, the Fed left short-term rates unchanged because of the tariff uncertainty. The Fed is now in a bit of a dilemma with the threat of stagflation (i.e., both an economic slowdown and rising inflation at the same time). The Fed would normally cut rates to deal with a slowdown, and raise rates to counter higher inflation. The looming economic slowdown and increase in inflation are solely being created by the president's tariff policies. With stagflation the likely outcome of the tariff policies, the Fed is unlikely to change interest rates, until rising inflation or an economic slowdown gets seriously out of hand.

Unless the president permanently backs off significantly from the Administration's current tariff policies, most Analysts are now predicting that inflation will rise significantly because of the tariffs and that consumers will spend less as a result- the so called "wealth effect".

Also, the current administration plans to extend all of the tax cuts set to expire at the end of 2025. The Congressional Budget Office (CBO) estimates that extending them will add \$4.7 trillion to deficits over the next 10 years or an average of \$470 billion per year. This increase in the deficit will put more upward pressure on interest rates.

These actions will cause the Fed to stay in a holding pattern and keep short-term interest rates where they are until there is a clearer picture of the impact of the final tariffs imposed on inflation and the economy or unless the unemployment rate increases significantly.

### C. Change in City Investment Strategy

After the Fed changed to a looser monetary policy after July 26, 2023, the City's investment strategy changed to extending the investment maturities of securities purchased beyond three years and locking in rates, as much as practical. As investments mature, the City will replace them with securities with maturities greater than three years.

### Rates Earned by Berkeley and Other California Cities

On a short-term basis, the City's earned rate is expected to be below the City's benchmark (State LAIF) until FY 2026, when most of the securities earning less than 2 percent mature.

However, the City's return is expected to be comparable to rates earned by other cities with a similar average maturity and lower than cities with a shorter average maturity in California. A sample of rates earned by Northern and Southern California cities is reflected in table 3 below (previously only Northern California cities were included):

**Table 4**

| <b>Other California Cities<br/>Earned Interest Rates</b> |                     |
|----------------------------------------------------------|---------------------|
| For the Quarter Ending March 31, 2025                    |                     |
| <b>City</b>                                              | <b>Rates Earned</b> |
| San Diego                                                | 4.20%               |
| Oakland                                                  | 4.06%               |
| Los Angeles                                              | 3.91%               |
| Hayward                                                  | 3.89%               |
| San Jose                                                 | 3.84%               |
| San Francisco                                            | 3.69%               |
| Burbank                                                  | 3.44%               |
| <b>Berkeley</b>                                          | <b>3.01%</b>        |
| Sacramento                                               | 2.86%               |
| Palo Alto                                                | 2.65 %              |

BACKGROUND

- Pooled Investments

Short-term cash is invested primarily in government sponsored enterprises (referred to as Federal Agency securities) notes, medium-term corporate notes and municipal securities for periods of one to ten years. Additional cash is invested in a money market fund or overnight securities to meet the liquidity needs of the City.

In some cases, the City may have investments with a current market value that is greater or less than the recorded cost. These changes in market value are due to fluctuations in the market and have no effect on the City’s yield, as the City does not intend to sell securities prior to maturity.

- Retiree Health Trust Fund Investments

The City agreed to provide retiree Health insurance coverage for fire, police and miscellaneous employees under certain terms and conditions. An actuarial study commissioned by the City many years ago determined that, in addition to City Contributions, an average rate of return of 7% on miscellaneous employees trust fund assets invested must be achieved to fund the retiree health benefit at the desired 70% level. Primarily as a result of the Federal Reserve Board’s decision to keep short-term rates near zero from 2008 to March 2022, the average rate currently earned is significantly below that 7% level. City Finance Department staff manages these investment portfolios.

ENVIRONMENTAL SUSTAINABILITY AND CLIMATE IMPACTS

There are no identifiable environmental effects or opportunities associated with the subject of this report.

CONTACT PERSON

Henry Oyekanmi, Director, Finance Department, 981-7326

ATTACHMENTS

1. Portfolio Evaluation FY 2025 Third Quarter
2. Investment Report Analysis FY 2025 Third Quarter
  - a. Exhibit 2-A: Pooled Cash and Investments
  - b. Exhibit 2-B.1 through 2-B.3: Interest Earnings Jan 1, 2025 – Mar 31, 2025
  - c. Exhibit 2-C: Book Value By Investment Type
  - d. Exhibit 2-D: Current Holdings vs. Policy Limits
  - e. Exhibit 2-E: Investment Portfolio Trend
  - f. Exhibit 2-F: Investments Yielding 2 Percent or Less Maturing in 2026/2027
3. Summary of Pooled and Cash Investments FY 2025 Third Quarter –Trust Funds
  - a. Exhibit 3-A: Retiree Medical Trust Funds –Misc.
  - b. Exhibit 3-B: Retiree Medical Trust Funds –Fire
  - c. Exhibit 3-C: Retiree Medical Trust Funds –Police



**Portfolio Evaluation**  
**Quarter Ended March 31, 2025**

|                                             | <b>QUARTER ENDING</b> |                       |                       |                       |                       |                |                       |                |
|---------------------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|----------------|-----------------------|----------------|
|                                             | <b>March 2025</b>     | <b>December 2024</b>  | <b>September 2024</b> | <b>June 2024</b>      |                       |                |                       |                |
| <b>Total Portfolio</b>                      |                       |                       |                       |                       |                       |                |                       |                |
| Pooled Cash and Investments (COB)           | \$ 647,948,111        | \$ 649,832,348        | \$ 609,358,155        | \$ 698,518,749        |                       |                |                       |                |
| Pooled Cash and Investments (Trust)         | 58,585,989            | 57,695,193            | 58,122,162            | 54,549,828            |                       |                |                       |                |
| Total Cash and Investments                  | <u>\$ 706,534,100</u> | <u>\$ 707,527,541</u> | <u>\$ 667,480,317</u> | <u>\$ 753,068,577</u> |                       |                |                       |                |
| <b>Average Life of Investment Portfolio</b> |                       |                       |                       |                       |                       |                |                       |                |
| Pooled Investments (CoB)                    | 763                   | 835                   | 911                   | 1,017                 |                       |                |                       |                |
| Trust Investments                           | 2.791 years           | 2.791 years           | 4.077 years           | 7.204 years           |                       |                |                       |                |
| <b>Weighted Yield</b>                       |                       |                       |                       |                       |                       |                |                       |                |
| Pooled Investments (CoB)                    | 3.007%                | 2.901%                | 3.156%                | 3.313%                |                       |                |                       |                |
| Trust Investments                           | 4.639%                | 4.285%                | 4.903%                | 5.057%                |                       |                |                       |                |
| Prime Rate                                  | 7.500%                | 7.500%                | 8.000%                | 8.500%                |                       |                |                       |                |
| 91-day Treasury Bill Rate                   | 4.294%                | 4.271%                | 4.618%                | 5.220%                |                       |                |                       |                |
| 2-year Treasury Note Rate                   | 3.883%                | 4.243%                | 3.169%                | 4.720%                |                       |                |                       |                |
| <hr/>                                       |                       |                       |                       |                       |                       |                |                       |                |
| <b>Cash and Investments Maturity</b>        |                       |                       |                       |                       |                       |                |                       |                |
| Within one year                             | \$ 255,293,610        | 36.13%                | \$ 270,171,399        | 38.19%                | \$ 192,996,379        | 28.91%         | \$ 224,100,358        | 29.76%         |
| Between 1 to 3 years                        | 333,278,343           | 47.17%                | 334,960,505           | 47.34%                | 346,026,863           | 51.84%         | 376,863,991           | 50.04%         |
| Between 3 to 5 years                        | 20,608,600            | 2.92%                 | 10,530,270            | 1.49%                 | 30,946,760            | 4.64%          | 37,564,650            | 4.99%          |
| Between 5 to 10 years                       | 81,503,566            | 11.54%                | 89,983,467            | 12.72%                | 92,995,803            | 13.93%         | 104,107,795           | 13.82%         |
| Over 10 years                               | 15,849,980            | 2.24%                 | 1,881,900             | 0.27%                 | 4,514,512             | 0.68%          | 10,431,783            | 1.39%          |
| Total                                       | <u>\$ 706,534,100</u> | <u>100.00%</u>        | <u>\$ 707,527,541</u> | <u>100.00%</u>        | <u>\$ 667,480,317</u> | <u>100.00%</u> | <u>\$ 753,068,577</u> | <u>100.00%</u> |



**Investment Report Analysis  
As of March 31, 2025**

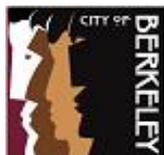
| <b>Investments</b>                                     | <b>Pooled Investments</b> | <b>Pension and OPEB</b>  |  | <b>Total</b>          |
|--------------------------------------------------------|---------------------------|--------------------------|--|-----------------------|
|                                                        |                           | <b>Trust Investments</b> |  |                       |
| Portfolio                                              | \$ 499,749,333            | \$ 58,578,110            |  | \$ 558,327,443        |
| Unrecognized gain/(loss)                               | (9,247,904)               | (1,898,910)              |  | (11,146,812)          |
| Total Investments                                      | 490,501,429               | 56,679,201               |  | 547,180,630           |
|                                                        |                           |                          |  |                       |
| <b>Cash</b>                                            | <b>Pooled Cash</b>        | <b>Pension and OPEB</b>  |  | <b>Total</b>          |
|                                                        |                           | <b>Trust Cash</b>        |  |                       |
| Cash with Fidelity Money Market                        | 36,692,096                | -                        |  | 36,692,096            |
| Cash with Fiscal Agents                                | 287,358                   | -                        |  | 287,358               |
| Cash Deposits in Banks                                 | 120,467,228               | 1,906,788                |  | 122,374,016           |
| Total Cash                                             | 157,446,682               | 1,906,788                |  | 159,353,470           |
|                                                        |                           |                          |  |                       |
| <b>Adjusted Grand Total (All Cash and Investments)</b> | <b>\$ 647,948,111</b>     | <b>\$ 58,585,989</b>     |  | <b>\$ 706,534,100</b> |

**Pooled Cash Portfolio Breakdown As of March 31, 2025**

|             | <b>Book Value</b> | <b>Market Value</b> |
|-------------|-------------------|---------------------|
| Investments | \$ 499,749,333    | \$ 490,501,429      |

**NOTE:**

1. The pooled cash includes Rent Board cash \$6,254,087.98
2. The pooled cash does not include Section 115 cash of \$2,277,669.37



City of Berkeley  
Pooled Cash and Investments  
As of March 31, 2025

| CUSIP                                   | Investment # | Issuer                   | Book Value           | Par Value            | Market Value         | Current Rate | YTM/C 365    | Maturity Date | Days To Maturity | Moody's Rating |
|-----------------------------------------|--------------|--------------------------|----------------------|----------------------|----------------------|--------------|--------------|---------------|------------------|----------------|
| <b>Medium Term Notes</b>                |              |                          |                      |                      |                      |              |              |               |                  |                |
| 88579YAR2                               | 14659        | 3M COMPANY               | 4,981,685.91         | 5,000,000.00         | 4,969,250.00         | 3.000        | 4.120        | 08/07/2025    | 128              | A3             |
| 20030NBN0                               | 14563        | Comcast Corp             | 5,004,611.46         | 5,000,000.00         | 4,982,900.00         | 3.375        | 3.100        | 08/15/2025    | 136              | A1             |
| 233851CU6                               | 14571        | Daimler Finance          | 5,020,209.29         | 5,000,000.00         | 4,902,400.00         | 3.450        | 3.190        | 01/06/2027    | 645              | A1             |
| 233851CU6                               | 14574        | Daimler Finance          | 3,751,283.50         | 3,725,000.00         | 3,652,288.00         | 3.450        | 3.000        | 01/06/2027    | 645              | A3             |
| 24422EWK1                               | 14663        | John Deere Cap           | 4,988,998.57         | 5,000,000.00         | 4,991,700.00         | 4.150        | 4.250        | 09/15/2027    | 897              | A2             |
| 375558BF9                               | 14570        | Gilead Sciences          | 5,021,824.41         | 5,000,000.00         | 4,962,500.00         | 3.650        | 3.118        | 03/01/2026    | 334              | A2             |
| 30303M8G0                               | 14660        | Meta Platforms Inc       | 4,908,984.01         | 5,000,000.00         | 4,929,050.00         | 3.500        | 4.360        | 08/15/2027    | 866              | A1             |
| 617446HD4                               | 14670        | Morgan Stanley           | 10,660,783.80        | 10,000,000.00        | 11,366,300.00        | 7.250        | 6.000        | 04/01/2032    | 2,557            | A3             |
| 747525AU7                               | 14587        | Qualcomm Inc             | 6,057,425.06         | 5,963,000.00         | 5,849,762.63         | 3.250        | 2.435        | 05/20/2027    | 779              | AA3            |
| 07330MAA5                               | 14588        | Truist Bank              | 5,104,152.45         | 5,000,000.00         | 4,933,350.00         | 3.800        | 2.365        | 10/30/2026    | 577              | A1             |
| <b>Subtotal and Average</b>             |              |                          | <b>55,499,958.46</b> | <b>54,688,000.00</b> | <b>55,539,500.63</b> |              | <b>3.826</b> |               | <b>942</b>       |                |
| <b>Federal Agency Coupon Securities</b> |              |                          |                      |                      |                      |              |              |               |                  |                |
| 3133ENN22                               | 14664        | Federal Farm Credit Bank | 4,996,890.10         | 5,000,000.00         | 4,986,650.00         | 3.750        | 3.890        | 09/22/2025    | 174              | AAA            |
| 3133ENP95                               | 14666        | Federal Farm Credit Bank | 4,996,541.93         | 5,000,000.00         | 4,998,600.00         | 4.250        | 4.400        | 09/30/2025    | 182              | AAA            |
| 3133ENS50                               | 14667        | Federal Farm Credit Bank | 4,999,606.90         | 5,000,000.00         | 5,020,100.00         | 4.125        | 4.128        | 10/14/2027    | 926              | AAA            |
| 3133ENN30                               | 14668        | Federal Farm Credit Bank | 4,709,571.65         | 5,000,000.00         | 4,875,800.00         | 3.875        | 4.863        | 09/20/2032    | 2729             | AAA            |
| 3133ENV72                               | 14669        | Federal Farm Credit Bank | 4,994,083.44         | 5,000,000.00         | 5,031,900.00         | 4.500        | 4.600        | 07/27/2026    | 482              | AAA            |
| 3133EPGG4                               | 14686        | Federal Farm Credit Bank | 4,966,484.34         | 5,000,000.00         | 4,888,000.00         | 4.000        | 4.102        | 04/20/2033    | 2941             | AAA            |
| 3133EPGS8                               | 14687        | Federal Farm Credit Bank | 4,999,295.49         | 5,000,000.00         | 4,998,350.00         | 4.250        | 4.300        | 07/24/2025    | 114              | AAA            |
| 3133EPPE9                               | 14689        | Federal Farm Credit Bank | 4,990,352.31         | 5,000,000.00         | 5,020,950.00         | 4.375        | 4.540        | 07/06/2026    | 461              | AAA            |
| 3133EPPF6                               | 14690        | Federal Farm Credit Bank | 4,967,442.44         | 5,000,000.00         | 5,016,000.00         | 4.125        | 4.300        | 07/05/2029    | 1556             | AAA            |
| <b>Subtotal and Average</b>             |              |                          | <b>44,620,268.60</b> | <b>45,000,000.00</b> | <b>44,836,350.00</b> |              | <b>4.344</b> |               | <b>1,050</b>     |                |
| <b>Medium-Term Notes - Callable</b>     |              |                          |                      |                      |                      |              |              |               |                  |                |
| 22553PWD7                               | 14652        | Credit Suisse AG         | 5,000,000.00         | 5,000,000.00         | 4,977,200.00         | 4.050        | 4.050        | 05/25/2025    | 54               | AA2            |
| 22553PXJ3                               | 14655        | Credit Suisse AG         | 5,000,000.00         | 5,000,000.00         | 4,980,800.00         | 5.000        | 5.001        | 05/31/2032    | 2,617            | AA2            |
| 751212AC5                               | 14566        | Ralph Lauren             | 5,013,024.16         | 5,000,000.00         | 4,977,400.00         | 3.750        | 3.106        | 09/15/2025    | 167              | A3             |
| 857477CD3                               | 14698        | State Street Corp.       | 4,000,000.00         | 4,000,000.00         | 4,045,160.00         | 5.272        | 5.272        | 08/03/2026    | 489              | AA3            |
| 91159HHU7                               | 14562        | US Bancorp               | 5,026,551.22         | 5,000,000.00         | 4,984,050.00         | 3.950        | 2.848        | 11/17/2025    | 230              | A3             |
| 91159HHM5                               | 14684        | US Bancorp               | 4,890,650.96         | 5,000,000.00         | 4,927,300.00         | 3.100        | 5.348        | 04/27/2026    | 391              | A3             |
| 91159HHW3                               | 14693        | US Bancorp               | 4,427,806.22         | 5,000,000.00         | 4,664,350.00         | 3.000        | 6.212        | 07/30/2029    | 1,581            | A3             |
| <b>Subtotal and Average</b>             |              |                          | <b>33,358,032.56</b> | <b>34,000,000.00</b> | <b>33,556,260.00</b> |              | <b>4.493</b> |               | <b>785</b>       |                |
| <b>Federal Agency Callable</b>          |              |                          |                      |                      |                      |              |              |               |                  |                |
| 3133EN6K1                               | 14676        | Federal Farm Credit Bank | 5,000,000.00         | 5,000,000.00         | 4,956,150.00         | 4.220        | 4.220        | 01/23/2030    | 1,758            | AAA            |
| 3133EN6K1                               | 14677        | Federal Farm Credit Bank | 5,000,000.00         | 5,000,000.00         | 4,956,150.00         | 4.220        | 4.220        | 01/23/2030    | 1,758            | AAA            |
| 3133EPAJ4                               | 14679        | Federal Farm Credit Bank | 5,000,000.00         | 5,000,000.00         | 4,890,000.00         | 4.000        | 4.000        | 02/09/2033    | 2,871            | AAA            |
| 3130AULM4                               | 14678        | Federal Home Loan Banks  | 5,000,000.00         | 5,000,000.00         | 4,998,050.00         | 5.620        | 5.620        | 01/26/2033    | 2,857            | AAA            |
|                                         |              |                          | <b>20,000,000.00</b> | <b>20,000,000.00</b> | <b>19,800,350.00</b> |              | <b>4.515</b> |               | <b>2,311</b>     |                |

**Federal Agency Continuously Callable**



City of Berkeley  
Pooled Cash and Investments  
As of March 31, 2025

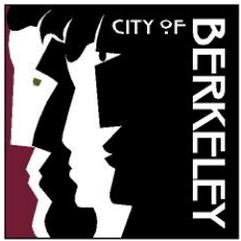
| CUSIP                                              | Investment # | Issuer                        | Book Value            | Par Value             | Market Value          | Current Rate | YTM/C 365    | Maturity Date | Days To Maturity | Moody's Rating |
|----------------------------------------------------|--------------|-------------------------------|-----------------------|-----------------------|-----------------------|--------------|--------------|---------------|------------------|----------------|
| 31422XJW3                                          | 14638        | Farmer Mac                    | 10,000,000.00         | 10,000,000.00         | 9,681,100.00          | 1.500        | 0.300        | 07/20/2026    | 475              | N/A            |
| 3133ENUV0                                          | 14644        | Federal Farm Credit Bank      | 5,000,000.00          | 5,000,000.00          | 4,788,000.00          | 4.000        | 4.000        | 04/19/2032    | 2,575            | AAA            |
| 3133ENVV9                                          | 14647        | Federal Farm Credit Bank      | 5,000,000.00          | 5,000,000.00          | 4,947,650.00          | 3.630        | 3.630        | 05/03/2027    | 762              | AAA            |
| 3133ENWW6                                          | 14653        | Federal Farm Credit Bank      | 4,996,073.18          | 5,000,000.00          | 4,926,500.00          | 4.370        | 4.384        | 05/17/2032    | 2,603            | AAA            |
| 3133EPEK7                                          | 14682        | Federal Farm Credit Bank      | 5,000,000.00          | 5,000,000.00          | 4,991,150.00          | 4.620        | 4.620        | 04/03/2025    | 2                | AAA            |
| 3133EPQT5                                          | 14695        | Federal Farm Credit Bank      | 5,000,000.00          | 5,000,000.00          | 5,003,000.00          | 5.650        | 5.292        | 07/25/2033    | 3,037            | AAA            |
| 3130AMAV4                                          | 14611        | Federal Home Loan Banks       | 5,600,000.00          | 5,600,000.00          | 5,302,080.00          | 1.250        | 1.125        | 04/29/2027    | 758              | AAA            |
| 3130ALZA5                                          | 14612        | Federal Home Loan Banks       | 9,000,000.00          | 9,000,000.00          | 8,884,800.00          | 2.000        | 0.500        | 04/29/2026    | 393              | AAA            |
| 3130AMEX6                                          | 14613        | Federal Home Loan Banks       | 15,000,000.00         | 15,000,000.00         | 14,712,300.00         | 1.750        | 0.933        | 05/27/2026    | 421              | AAA            |
| 3130AMF72                                          | 14615        | Federal Home Loan Banks       | 15,000,000.00         | 15,000,000.00         | 14,535,750.00         | 1.300        | 1.040        | 05/27/2026    | 421              | AAA            |
| 3130AMFQ0                                          | 14616        | Federal Home Loan Banks       | 15,000,000.00         | 15,000,000.00         | 14,511,750.00         | 1.150        | 1.020        | 05/26/2026    | 420              | AAA            |
| 3130AMFT4                                          | 14617        | Federal Home Loan Banks       | 10,000,000.00         | 10,000,000.00         | 9,684,900.00          | 1.250        | 1.000        | 05/27/2026    | 421              | AAA            |
| 3130AMG22                                          | 14618        | Federal Home Loan Banks       | 20,000,000.00         | 20,000,000.00         | 19,489,600.00         | 1.500        | 0.500        | 05/27/2026    | 421              | AAA            |
| 3130AMGG1                                          | 14619        | Federal Home Loan Banks       | 10,000,000.00         | 10,000,000.00         | 9,778,700.00          | 2.000        | 1.160        | 05/26/2026    | 420              | AAA            |
| 3130AMFN7                                          | 14620        | Federal Home Loan Banks       | 10,000,000.00         | 10,000,000.00         | 9,762,300.00          | 2.000        | 1.175        | 05/26/2026    | 420              | AAA            |
| 3130AMG55                                          | 14622        | Federal Home Loan Banks       | 10,000,000.00         | 10,000,000.00         | 9,488,900.00          | 1.375        | 1.219        | 05/27/2027    | 786              | AAA            |
| 3130AMG22                                          | 14624        | Federal Home Loan Banks       | 10,000,000.00         | 10,000,000.00         | 9,744,800.00          | 1.500        | 0.500        | 05/27/2026    | 421              | AAA            |
| 3130AMLS9                                          | 14627        | Federal Home Loan Banks       | 10,000,000.00         | 10,000,000.00         | 9,787,500.00          | 1.500        | 1.070        | 06/17/2026    | 442              | AAA            |
| 3130AMN24                                          | 14628        | Federal Home Loan Banks       | 10,000,000.00         | 10,000,000.00         | 9,668,700.00          | 1.150        | 1.034        | 06/03/2026    | 428              | AAA            |
| 3130AMN57                                          | 14629        | Federal Home Loan Banks       | 20,000,000.00         | 20,000,000.00         | 19,326,000.00         | 1.100        | 1.013        | 06/03/2026    | 428              | AAA            |
| 3130AMP71                                          | 14630        | Federal Home Loan Banks       | 20,000,000.00         | 20,000,000.00         | 19,327,800.00         | 1.200        | 1.077        | 06/18/2026    | 443              | AAA            |
| 3130AMPL0                                          | 14631        | Federal Home Loan Banks       | 15,000,000.00         | 15,000,000.00         | 14,497,650.00         | 1.150        | 0.375        | 06/08/2026    | 433              | AAA            |
| 3130AMMW9                                          | 14632        | Federal Home Loan Banks       | 10,000,000.00         | 10,000,000.00         | 9,709,000.00          | 1.500        | 0.500        | 06/10/2026    | 435              | AAA            |
| 3130AMWM0                                          | 14634        | Federal Home Loan Banks       | 4,250,000.00          | 4,250,000.00          | 4,095,852.50          | 1.050        | 0.500        | 06/30/2026    | 455              | AAA            |
| 3130AN5U0                                          | 14642        | Federal Home Loan Banks       | 10,000,000.00         | 10,000,000.00         | 9,706,600.00          | 1.750        | 0.500        | 07/29/2026    | 484              | AAA            |
| 3130ANJY7                                          | 14643        | Federal Home Loan Banks       | 40,000,000.00         | 40,000,000.00         | 38,360,400.00         | 1.000        | 0.400        | 08/26/2026    | 512              | AAA            |
| 3130ARTE1                                          | 14645        | Federal Home Loan Banks       | 6,425,000.00          | 6,425,000.00          | 6,193,186.00          | 4.100        | 4.100        | 04/26/2032    | 2,582            | AAA            |
| 3130ARX71                                          | 14648        | Federal Home Loan Banks       | 5,000,000.00          | 5,000,000.00          | 4,990,450.00          | 3.000        | 3.000        | 05/23/2025    | 52               | AAA            |
| 3130ARYA3                                          | 14651        | Federal Home Loan Banks       | 5,000,000.00          | 5,000,000.00          | 4,970,250.00          | 4.000        | 4.000        | 05/26/2027    | 785              | AAA            |
| 3130AS7K9                                          | 14654        | Federal Home Loan Banks       | 5,000,000.00          | 5,000,000.00          | 4,903,250.00          | 4.440        | 4.440        | 05/26/2032    | 2,612            | AAA            |
| 3130ASGF0                                          | 14656        | Federal Home Loan Banks       | 5,000,000.00          | 5,000,000.00          | 4,995,300.00          | 4.000        | 4.000        | 06/30/2025    | 90               | AAA            |
| 3134GXRS5                                          | 14646        | Federal Home Loan Mortgage Co | 5,000,000.00          | 5,000,000.00          | 4,994,850.00          | 3.100        | 3.100        | 04/29/2025    | 28               | AAA            |
| 3134GXC28                                          | 14657        | Federal Home Loan Mortgage Co | 5,000,000.00          | 5,000,000.00          | 4,992,950.00          | 4.100        | 4.100        | 07/18/2025    | 108              | AAA            |
|                                                    |              |                               | <b>340,271,073.18</b> | <b>340,275,000.00</b> | <b>330,753,018.50</b> |              | <b>1.366</b> |               | <b>613</b>       |                |
| <b>Medium Term Notes Continuous Callable Bonds</b> |              |                               |                       |                       |                       |              |              |               |                  |                |
| 06051GLG2                                          | 14688        | Bank of America Corporation   | 1,000,000.00          | 1,000,000.00          | 1,015,950.00          | 5.202        | 5.202        | 04/25/2029    | 1,485            | A1             |
|                                                    |              | <b>Subtotal and Average</b>   | <b>1,000,000.00</b>   | <b>1,000,000.00</b>   | <b>1,015,950.00</b>   |              | <b>5.202</b> |               | <b>1,485</b>     |                |



City of Berkeley  
 Pooled Cash and Investments  
 As of March 31, 2025

| CUSIP                                | Investment # | Issuer                       | Book Value            | Par Value             | Market Value          | Current Rate | YTM/C 365    | Maturity Date | Days To Maturity | Moody's Rating |
|--------------------------------------|--------------|------------------------------|-----------------------|-----------------------|-----------------------|--------------|--------------|---------------|------------------|----------------|
| <b>Municipal Bonds</b>               |              |                              |                       |                       |                       |              |              |               |                  |                |
| 13063DGB8                            | 14559        | General Obligation Unlimited | 5,000,000.00          | 5,000,000.00          | 5,000,000.00          | 3.375        | 3.087        | 04/01/2025    | -                | AA2            |
|                                      |              | <b>Subtotal and Average</b>  | <b>5,000,000.00</b>   | <b>5,000,000.00</b>   | <b>5,000,000.00</b>   |              | <b>3.087</b> |               | -                |                |
| <b>Total Investments and Average</b> |              |                              | <b>499,749,332.80</b> | <b>499,963,000.00</b> | <b>490,501,429.13</b> |              | <b>2.265</b> |               | <b>763</b>       |                |

|                                                     |                       |
|-----------------------------------------------------|-----------------------|
| Total Investments (Book Value)                      | 499,749,332.80        |
| Cash                                                | 157,446,682.00        |
| Total Investments (Book Value) and Cash             | 657,196,014.80        |
| Increase / (Decrease) in Market Value of Securities | (9,247,903.67)        |
| Total Investments (Market Value) and Cash           | <u>647,948,111.13</u> |



**Pooled Investments Selected Funds**  
**Interest Earnings**  
**Sorted by Fund - Fund**  
**January 1, 2025 - January 31, 2025**  
**Yield on Average Book Value**

| CUSIP                                      | Investment # | Fund | Security Type | Ending Par Value | Beginning Book Value | Average Book Value | Maturity Date | Current Rate | Annualized Yield | Adjusted Interest Earnings |                         |                            |
|--------------------------------------------|--------------|------|---------------|------------------|----------------------|--------------------|---------------|--------------|------------------|----------------------------|-------------------------|----------------------------|
|                                            |              |      |               |                  |                      |                    |               |              |                  | Interest Earned            | Amortization/ Accretion | Adjusted Interest Earnings |
| <b>Fund: Pooled Investment - Long Term</b> |              |      |               |                  |                      |                    |               |              |                  |                            |                         |                            |
| 3130AMWMO                                  | 14634        | 010  | MC5           | 4,250,000.00     | 4,250,000.00         | 4,250,000.00       | 06/30/2026    | 1.050        | 1.030            | 3,718.75                   | 0.00                    | 3,718.75                   |
| 3130AMPL0                                  | 14631        | 010  | MC5           | 15,000,000.00    | 15,000,000.00        | 15,000,000.00      | 06/08/2026    | 1.150        | 1.128            | 14,375.00                  | 0.00                    | 14,375.00                  |
| 3130AMP71                                  | 14630        | 010  | MC5           | 20,000,000.00    | 20,000,000.00        | 20,000,000.00      | 06/18/2026    | 1.200        | 1.177            | 20,000.00                  | 0.00                    | 20,000.00                  |
| 3130AMMW9                                  | 14632        | 010  | MC5           | 10,000,000.00    | 10,000,000.00        | 10,000,000.00      | 06/10/2026    | 1.500        | 1.472            | 12,500.00                  | 0.00                    | 12,500.00                  |
| 3130AN5U0                                  | 14642        | 010  | MC5           | 10,000,000.00    | 10,000,000.00        | 10,000,000.00      | 07/29/2026    | 1.750        | 1.717            | 14,583.33                  | 0.00                    | 14,583.33                  |
| 3130ANJY7                                  | 14643        | 010  | MC5           | 40,000,000.00    | 40,000,000.00        | 40,000,000.00      | 08/26/2026    | 1.000        | 0.981            | 33,333.33                  | 0.00                    | 33,333.33                  |
| 3130ARYA3                                  | 14651        | 010  | MC5           | 5,000,000.00     | 5,000,000.00         | 5,000,000.00       | 05/26/2027    | 4.000        | 3.925            | 16,666.67                  | 0.00                    | 16,666.67                  |
| 3130ARTE1                                  | 14645        | 010  | MC5           | 6,425,000.00     | 6,425,000.00         | 6,425,000.00       | 04/26/2032    | 4.100        | 4.023            | 21,952.08                  | 0.00                    | 21,952.08                  |
| 3130ARX71                                  | 14648        | 010  | MC5           | 5,000,000.00     | 5,000,000.00         | 5,000,000.00       | 05/23/2025    | 3.000        | 2.944            | 12,500.00                  | 0.00                    | 12,500.00                  |
| 3130AMN57                                  | 14629        | 010  | MC5           | 20,000,000.00    | 20,000,000.00        | 20,000,000.00      | 06/03/2026    | 1.100        | 1.079            | 18,333.33                  | 0.00                    | 18,333.33                  |
| 3130AMN24                                  | 14628        | 010  | MC5           | 10,000,000.00    | 10,000,000.00        | 10,000,000.00      | 06/03/2026    | 1.150        | 1.128            | 9,583.34                   | 0.00                    | 9,583.34                   |
| 3130ALZA5                                  | 14612        | 010  | MC5           | 9,000,000.00     | 9,000,000.00         | 9,000,000.00       | 04/29/2026    | 2.000        | 1.962            | 15,000.00                  | 0.00                    | 15,000.00                  |
| 3130AMAV4                                  | 14611        | 010  | MC5           | 5,600,000.00     | 5,600,000.00         | 5,600,000.00       | 04/29/2027    | 1.250        | 1.226            | 5,833.33                   | 0.00                    | 5,833.33                   |
| 3130AMEX6                                  | 14613        | 010  | MC5           | 15,000,000.00    | 15,000,000.00        | 15,000,000.00      | 05/27/2026    | 1.750        | 1.717            | 21,875.00                  | 0.00                    | 21,875.00                  |
| 3130AMFQ0                                  | 14616        | 010  | MC5           | 15,000,000.00    | 15,000,000.00        | 15,000,000.00      | 05/26/2026    | 1.150        | 1.128            | 14,375.00                  | 0.00                    | 14,375.00                  |
| 3130AMF72                                  | 14615        | 010  | MC5           | 15,000,000.00    | 15,000,000.00        | 15,000,000.00      | 05/27/2026    | 1.300        | 1.276            | 16,250.00                  | 0.00                    | 16,250.00                  |
| 3130AMG22                                  | 14624        | 010  | MC5           | 10,000,000.00    | 10,000,000.00        | 10,000,000.00      | 05/27/2026    | 1.500        | 1.472            | 12,500.00                  | 0.00                    | 12,500.00                  |
| 3130AMLS9                                  | 14627        | 010  | MC5           | 10,000,000.00    | 10,000,000.00        | 10,000,000.00      | 06/17/2026    | 1.500        | 1.472            | 12,500.00                  | 0.00                    | 12,500.00                  |
| 3130AMG55                                  | 14622        | 010  | MC5           | 10,000,000.00    | 10,000,000.00        | 10,000,000.00      | 05/27/2027    | 1.375        | 1.349            | 11,458.33                  | 0.00                    | 11,458.33                  |
| 3130AMGG1                                  | 14619        | 010  | MC5           | 10,000,000.00    | 10,000,000.00        | 10,000,000.00      | 05/26/2026    | 2.000        | 1.962            | 16,666.67                  | 0.00                    | 16,666.67                  |
| 3130AMFN7                                  | 14620        | 010  | MC5           | 10,000,000.00    | 10,000,000.00        | 10,000,000.00      | 05/26/2026    | 2.000        | 1.962            | 16,666.67                  | 0.00                    | 16,666.67                  |
| 3130AMFT4                                  | 14617        | 010  | MC5           | 10,000,000.00    | 10,000,000.00        | 10,000,000.00      | 05/27/2026    | 1.250        | 1.226            | 10,416.66                  | 0.00                    | 10,416.66                  |
| 3130AMG22                                  | 14618        | 010  | MC5           | 20,000,000.00    | 20,000,000.00        | 20,000,000.00      | 05/27/2026    | 1.500        | 1.472            | 25,000.00                  | 0.00                    | 25,000.00                  |
| 3130AS7K9                                  | 14654        | 010  | MC5           | 5,000,000.00     | 5,000,000.00         | 5,000,000.00       | 05/26/2032    | 4.440        | 4.356            | 18,500.00                  | 0.00                    | 18,500.00                  |
| 3130ASGF0                                  | 14656        | 010  | MC5           | 5,000,000.00     | 5,000,000.00         | 5,000,000.00       | 06/30/2025    | 4.000        | 3.925            | 16,666.66                  | 0.00                    | 16,666.66                  |
| 3130AULM4                                  | 14678        | 010  | MC4           | 5,000,000.00     | 5,000,000.00         | 5,000,000.00       | 01/26/2033    | 5.620        | 5.514            | 23,416.67                  | 0.00                    | 23,416.67                  |
| 3133EPGS8                                  | 14687        | 010  | FAC           | 5,000,000.00     | 4,998,734.38         | 4,998,833.93       | 07/24/2025    | 4.250        | 4.215            | 17,708.33                  | 187.04                  | 17,895.37                  |
| 3133EPPE9                                  | 14689        | 010  | FAC           | 5,000,000.00     | 4,988,443.98         | 4,988,782.56       | 07/06/2026    | 4.375        | 4.452            | 18,229.16                  | 636.11                  | 18,865.27                  |
| 3133EPGG4                                  | 14686        | 010  | FAC           | 5,000,000.00     | 4,965,443.84         | 4,965,628.44       | 04/20/2033    | 4.000        | 4.034            | 16,666.67                  | 346.83                  | 17,013.50                  |
| 3133EPPF6                                  | 14690        | 010  | FAC           | 5,000,000.00     | 4,965,532.28         | 4,965,871.18       | 07/05/2029    | 4.125        | 4.226            | 17,187.50                  | 636.72                  | 17,824.22                  |
| 3133EPQT5                                  | 14695        | 010  | MC5           | 5,000,000.00     | 5,000,000.00         | 5,000,000.00       | 07/25/2033    | 5.650        | 5.544            | 23,541.66                  | 0.00                    | 23,541.66                  |
| 3133ENWW6                                  | 14653        | 010  | MC5           | 5,000,000.00     | 4,995,935.45         | 4,995,959.88       | 05/17/2032    | 4.370        | 4.302            | 18,208.33                  | 45.91                   | 18,254.24                  |

**Interest Earnings**

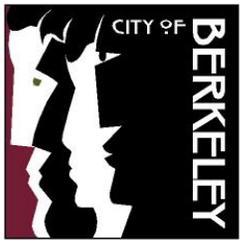
**January 1, 2025 - January 31, 2025**

| CUSIP                                      | Investment # | Fund | Security Type | Ending Par Value      | Beginning Book Value  | Average Book Value    | Maturity Date | Current Rate | Annualized Yield | Adjusted Interest Earnings |                         |                            |
|--------------------------------------------|--------------|------|---------------|-----------------------|-----------------------|-----------------------|---------------|--------------|------------------|----------------------------|-------------------------|----------------------------|
|                                            |              |      |               |                       |                       |                       |               |              |                  | Interest Earned            | Amortization/ Accretion | Adjusted Interest Earnings |
| <b>Fund: Pooled Investment - Long Term</b> |              |      |               |                       |                       |                       |               |              |                  |                            |                         |                            |
| 3133EPEK7                                  | 14682        | 010  | MC5           | 5,000,000.00          | 5,000,000.00          | 5,000,000.00          | 04/03/2025    | 4.620        | 4.533            | 19,250.00                  | 0.00                    | 19,250.00                  |
| 3133ENN22                                  | 14664        | 010  | FAC           | 5,000,000.00          | 4,995,253.32          | 4,995,543.71          | 09/22/2025    | 3.750        | 3.811            | 15,625.00                  | 545.59                  | 16,170.59                  |
| 3133ENV72                                  | 14669        | 010  | FAC           | 5,000,000.00          | 4,992,964.76          | 4,993,163.24          | 07/27/2026    | 4.500        | 4.509            | 18,750.00                  | 372.90                  | 19,122.90                  |
| 3133ENN30                                  | 14668        | 010  | FAC           | 5,000,000.00          | 4,699,851.10          | 4,701,575.72          | 09/20/2032    | 3.875        | 4.855            | 16,145.83                  | 3,240.19                | 19,386.02                  |
| 3133ENUV0                                  | 14644        | 010  | MC5           | 5,000,000.00          | 5,000,000.00          | 5,000,000.00          | 04/19/2032    | 4.000        | 3.925            | 16,666.67                  | 0.00                    | 16,666.67                  |
| 3133EN6K1                                  | 14676        | 010  | MC4           | 5,000,000.00          | 5,000,000.00          | 5,000,000.00          | 01/23/2030    | 4.220        | 4.141            | 17,583.33                  | 0.00                    | 17,583.33                  |
| 3133ENP95                                  | 14666        | 010  | FAC           | 5,000,000.00          | 4,994,803.24          | 4,995,111.09          | 09/30/2025    | 4.250        | 4.311            | 17,708.33                  | 579.56                  | 18,287.89                  |
| 3133ENS50                                  | 14667        | 010  | FAC           | 5,000,000.00          | 4,999,568.15          | 4,999,575.03          | 10/14/2027    | 4.125        | 4.051            | 17,187.50                  | 12.92                   | 17,200.42                  |
| 3133EPAJ4                                  | 14679        | 010  | MC4           | 5,000,000.00          | 5,000,000.00          | 5,000,000.00          | 02/09/2033    | 4.000        | 3.925            | 16,666.67                  | 0.00                    | 16,666.67                  |
| 3133EN6K1                                  | 14677        | 010  | MC4           | 5,000,000.00          | 5,000,000.00          | 5,000,000.00          | 01/23/2030    | 4.220        | 4.141            | 17,583.33                  | 0.00                    | 17,583.33                  |
| 3133ENVV9                                  | 14647        | 010  | MC5           | 5,000,000.00          | 5,000,000.00          | 5,000,000.00          | 05/03/2027    | 3.630        | 3.562            | 15,125.00                  | 0.00                    | 15,125.00                  |
| 3134GXC28                                  | 14657        | 010  | MC5           | 5,000,000.00          | 5,000,000.00          | 5,000,000.00          | 07/18/2025    | 4.100        | 4.023            | 17,083.34                  | 0.00                    | 17,083.34                  |
| 3134GXRS5                                  | 14646        | 010  | MC5           | 5,000,000.00          | 5,000,000.00          | 5,000,000.00          | 04/29/2025    | 3.100        | 3.042            | 12,916.67                  | 0.00                    | 12,916.67                  |
| 617446HD4                                  | 14670        | 010  | MTN           | 10,000,000.00         | 10,684,383.22         | 10,680,196.22         | 04/01/2032    | 7.250        | 5.793            | 60,416.67                  | -7,866.48               | 52,550.19                  |
| 06051GLG2                                  | 14688        | 010  | MC6           | 1,000,000.00          | 1,000,000.00          | 1,000,000.00          | 04/25/2029    | 5.202        | 5.104            | 4,335.00                   | 0.00                    | 4,335.00                   |
| 31422XJW3                                  | 14638        | 010  | MC5           | 10,000,000.00         | 10,000,000.00         | 10,000,000.00         | 07/20/2026    | 1.500        | 1.472            | 12,500.00                  | 0.00                    | 12,500.00                  |
| 24422EWK1                                  | 14663        | 010  | MTN           | 5,000,000.00          | 4,987,878.51          | 4,988,077.23          | 09/15/2027    | 4.150        | 4.170            | 17,291.67                  | 373.35                  | 17,665.02                  |
| 13063DGB8                                  | 14559        | 010  | MUN           | 5,000,000.00          | 5,003,670.04          | 5,003,018.90          | 04/01/2025    | 3.375        | 3.022            | 14,062.50                  | -1,223.35               | 12,839.15                  |
| 91159HHU7                                  | 14562        | 010  | MC3           | 5,000,000.00          | 5,037,124.71          | 5,035,248.77          | 11/17/2025    | 3.950        | 3.024            | 16,458.33                  | -3,524.50               | 12,933.83                  |
| 91159HHM5                                  | 14684        | 010  | MC3           | 5,000,000.00          | 4,865,155.07          | 4,869,678.53          | 04/27/2026    | 3.100        | 5.178            | 12,916.66                  | 8,498.63                | 21,415.29                  |
| 91159HHW3                                  | 14693        | 010  | MC3           | 5,000,000.00          | 4,394,773.86          | 4,400,622.60          | 07/30/2029    | 3.000        | 6.290            | 12,500.00                  | 11,010.79               | 23,510.79                  |
| 20030NBN0                                  | 14563        | 010  | MTN           | 5,000,000.00          | 5,007,708.71          | 5,007,159.19          | 08/15/2025    | 3.375        | 3.064            | 14,062.50                  | -1,032.42               | 13,030.08                  |
| 747525AU7                                  | 14587        | 010  | MTN           | 5,963,000.00          | 6,068,476.10          | 6,066,515.43          | 05/20/2027    | 3.250        | 2.419            | 16,149.79                  | -3,683.68               | 12,466.11                  |
| 751212AC5                                  | 14566        | 010  | MC3           | 5,000,000.00          | 5,020,171.57          | 5,018,903.48          | 09/15/2025    | 3.750        | 3.107            | 15,625.00                  | -2,382.47               | 13,242.53                  |
| 375558BF9                                  | 14570        | 010  | MTN           | 5,000,000.00          | 5,027,776.52          | 5,026,720.50          | 03/01/2026    | 3.650        | 3.098            | 15,208.34                  | -1,984.04               | 13,224.30                  |
| 233851CU6                                  | 14571        | 010  | MTN           | 5,000,000.00          | 5,023,073.60          | 5,022,565.42          | 01/06/2027    | 3.450        | 3.146            | 14,375.00                  | -954.77                 | 13,420.23                  |
| 233851CU6                                  | 14574        | 010  | MTN           | 3,725,000.00          | 3,755,008.72          | 3,754,347.79          | 01/06/2027    | 3.450        | 2.969            | 10,709.38                  | -1,241.74               | 9,467.64                   |
| 07330MAA5                                  | 14588        | 010  | MTN           | 5,000,000.00          | 5,120,626.47          | 5,117,709.56          | 10/30/2026    | 3.800        | 2.379            | 15,833.34                  | -5,491.34               | 10,342.00                  |
| 04685A2L4                                  | 14590        | 010  | MTN           | 0.00                  | 5,950,363.12          | 2,495,231.57          | 01/14/2025    | 2.500        | 2.363            | 5,371.53                   | -363.12                 | 5,008.41                   |
| 04685A2L4                                  | 14602        | 010  | MTN           | 0.00                  | 4,998,753.56          | 2,096,532.95          | 01/14/2025    | 2.500        | 3.235            | 4,513.89                   | 1,246.44                | 5,760.33                   |
| 22553PXJ3                                  | 14655        | 010  | MC3           | 5,000,000.00          | 5,000,000.00          | 5,000,000.00          | 05/31/2032    | 5.000        | 5.017            | 21,306.81                  | 0.00                    | 21,306.81                  |
| 22553PWD7                                  | 14652        | 010  | MC3           | 5,000,000.00          | 5,000,000.00          | 5,000,000.00          | 05/25/2025    | 4.050        | 3.974            | 16,875.00                  | 0.00                    | 16,875.00                  |
| 88579YAR2                                  | 14659        | 010  | MTN           | 5,000,000.00          | 4,968,604.41          | 4,970,925.32          | 08/07/2025    | 3.000        | 3.994            | 12,500.00                  | 4,360.50                | 16,860.50                  |
| 30303M8G0                                  | 14660        | 010  | MTN           | 5,000,000.00          | 4,899,392.16          | 4,901,093.94          | 08/15/2027    | 3.500        | 4.272            | 14,583.33                  | 3,197.28                | 17,780.61                  |
| 857477CD3                                  | 14698        | 010  | MC3           | 4,000,000.00          | 4,000,000.00          | 4,000,000.00          | 08/03/2026    | 5.272        | 5.173            | 17,573.33                  | 0.00                    | 17,573.33                  |
| <b>Subtotal</b>                            |              |      |               | <b>499,963,000.00</b> | <b>510,684,470.85</b> | <b>504,329,592.22</b> |               |              | <b>2.557</b>     | <b>1,089,672.21</b>        | <b>5,542.85</b>         | <b>1,095,215.06</b>        |
| <b>Fund: Wells Fargo MM- Regular</b>       |              |      |               |                       |                       |                       |               |              |                  |                            |                         |                            |
| SYS14701                                   | 14701        | 025  | RRP           | 113,871,701.75        | 117,736,349.04        | 116,725,934.62        |               |              | 4.239            | 420,263.70                 | 0.00                    | 420,263.70                 |

**Page 17 of 31**  
**Pooled Investments Selected Funds**  
**Interest Earnings**  
**January 1, 2025 - January 31, 2025**

Exhibit 2-B.1

| CUSIP                              | Investment # | Fund | Security Type   | Ending Par Value      | Beginning Book Value  | Average Book Value    | Maturity Date | Current Rate | Adjusted Interest Earnings |                     |                         |                            |
|------------------------------------|--------------|------|-----------------|-----------------------|-----------------------|-----------------------|---------------|--------------|----------------------------|---------------------|-------------------------|----------------------------|
|                                    |              |      |                 |                       |                       |                       |               |              | Annualized Yield           | Interest Earned     | Amortization/ Accretion | Adjusted Interest Earnings |
|                                    |              |      | <b>Subtotal</b> | <b>113,871,701.75</b> | <b>117,736,349.04</b> | <b>116,725,934.62</b> |               |              | <b>4.239</b>               | <b>420,263.70</b>   | <b>0.00</b>             | <b>420,263.70</b>          |
| <b>Fund: Fidelity MM - Regular</b> |              |      |                 |                       |                       |                       |               |              |                            |                     |                         |                            |
| SYS14265                           | 14265        | 040  | RRP             | 36,439,915.67         | 36,307,030.01         | 36,311,316.64         |               | 0.003        | 4.309                      | 132,885.66          | 0.00                    | 132,885.66                 |
|                                    |              |      | <b>Subtotal</b> | <b>36,439,915.67</b>  | <b>36,307,030.01</b>  | <b>36,311,316.64</b>  |               |              | <b>4.309</b>               | <b>132,885.66</b>   | <b>0.00</b>             | <b>132,885.66</b>          |
|                                    |              |      | <b>Total</b>    | <b>650,274,617.42</b> | <b>664,727,849.90</b> | <b>657,366,843.48</b> |               |              | <b>2.952</b>               | <b>1,642,821.57</b> | <b>5,542.85</b>         | <b>1,648,364.42</b>        |



**Pooled Investments Selected Funds**  
**Interest Earnings**  
**Sorted by Fund - Fund**  
**February 1, 2025 - February 28, 2025**  
**Yield on Average Book Value**

| CUSIP                                      | Investment # | Fund | Security Type | Ending Par Value | Beginning Book Value | Average Book Value | Maturity Date | Current Rate | Annualized Yield | Adjusted Interest Earnings |                         |                            |
|--------------------------------------------|--------------|------|---------------|------------------|----------------------|--------------------|---------------|--------------|------------------|----------------------------|-------------------------|----------------------------|
|                                            |              |      |               |                  |                      |                    |               |              |                  | Interest Earned            | Amortization/ Accretion | Adjusted Interest Earnings |
| <b>Fund: Pooled Investment - Long Term</b> |              |      |               |                  |                      |                    |               |              |                  |                            |                         |                            |
| 3130AMWMO                                  | 14634        | 010  | MC5           | 4,250,000.00     | 4,250,000.00         | 4,250,000.00       | 06/30/2026    | 1.050        | 1.141            | 3,718.75                   | 0.00                    | 3,718.75                   |
| 3130AMPL0                                  | 14631        | 010  | MC5           | 15,000,000.00    | 15,000,000.00        | 15,000,000.00      | 06/08/2026    | 1.150        | 1.249            | 14,375.00                  | 0.00                    | 14,375.00                  |
| 3130AMP71                                  | 14630        | 010  | MC5           | 20,000,000.00    | 20,000,000.00        | 20,000,000.00      | 06/18/2026    | 1.200        | 1.304            | 20,000.00                  | 0.00                    | 20,000.00                  |
| 3130AMMW9                                  | 14632        | 010  | MC5           | 10,000,000.00    | 10,000,000.00        | 10,000,000.00      | 06/10/2026    | 1.500        | 1.629            | 12,500.00                  | 0.00                    | 12,500.00                  |
| 3130AN5U0                                  | 14642        | 010  | MC5           | 10,000,000.00    | 10,000,000.00        | 10,000,000.00      | 07/29/2026    | 1.750        | 1.901            | 14,583.34                  | 0.00                    | 14,583.34                  |
| 3130ANJY7                                  | 14643        | 010  | MC5           | 40,000,000.00    | 40,000,000.00        | 40,000,000.00      | 08/26/2026    | 1.000        | 1.086            | 33,333.34                  | 0.00                    | 33,333.34                  |
| 3130ARYA3                                  | 14651        | 010  | MC5           | 5,000,000.00     | 5,000,000.00         | 5,000,000.00       | 05/26/2027    | 4.000        | 4.345            | 16,666.67                  | 0.00                    | 16,666.67                  |
| 3130ARTE1                                  | 14645        | 010  | MC5           | 6,425,000.00     | 6,425,000.00         | 6,425,000.00       | 04/26/2032    | 4.100        | 4.454            | 21,952.08                  | 0.00                    | 21,952.08                  |
| 3130ARX71                                  | 14648        | 010  | MC5           | 5,000,000.00     | 5,000,000.00         | 5,000,000.00       | 05/23/2025    | 3.000        | 3.259            | 12,500.00                  | 0.00                    | 12,500.00                  |
| 3130AMN57                                  | 14629        | 010  | MC5           | 20,000,000.00    | 20,000,000.00        | 20,000,000.00      | 06/03/2026    | 1.100        | 1.195            | 18,333.34                  | 0.00                    | 18,333.34                  |
| 3130AMN24                                  | 14628        | 010  | MC5           | 10,000,000.00    | 10,000,000.00        | 10,000,000.00      | 06/03/2026    | 1.150        | 1.249            | 9,583.33                   | 0.00                    | 9,583.33                   |
| 3130ALZA5                                  | 14612        | 010  | MC5           | 9,000,000.00     | 9,000,000.00         | 9,000,000.00       | 04/29/2026    | 2.000        | 2.173            | 15,000.00                  | 0.00                    | 15,000.00                  |
| 3130AMAV4                                  | 14611        | 010  | MC5           | 5,600,000.00     | 5,600,000.00         | 5,600,000.00       | 04/29/2027    | 1.250        | 1.358            | 5,833.33                   | 0.00                    | 5,833.33                   |
| 3130AMEX6                                  | 14613        | 010  | MC5           | 15,000,000.00    | 15,000,000.00        | 15,000,000.00      | 05/27/2026    | 1.750        | 1.901            | 21,875.00                  | 0.00                    | 21,875.00                  |
| 3130AMFQ0                                  | 14616        | 010  | MC5           | 15,000,000.00    | 15,000,000.00        | 15,000,000.00      | 05/26/2026    | 1.150        | 1.249            | 14,375.00                  | 0.00                    | 14,375.00                  |
| 3130AMF72                                  | 14615        | 010  | MC5           | 15,000,000.00    | 15,000,000.00        | 15,000,000.00      | 05/27/2026    | 1.300        | 1.412            | 16,250.00                  | 0.00                    | 16,250.00                  |
| 3130AMG22                                  | 14624        | 010  | MC5           | 10,000,000.00    | 10,000,000.00        | 10,000,000.00      | 05/27/2026    | 1.500        | 1.629            | 12,500.00                  | 0.00                    | 12,500.00                  |
| 3130AMLS9                                  | 14627        | 010  | MC5           | 10,000,000.00    | 10,000,000.00        | 10,000,000.00      | 06/17/2026    | 1.500        | 1.629            | 12,500.00                  | 0.00                    | 12,500.00                  |
| 3130AMG55                                  | 14622        | 010  | MC5           | 10,000,000.00    | 10,000,000.00        | 10,000,000.00      | 05/27/2027    | 1.375        | 1.494            | 11,458.34                  | 0.00                    | 11,458.34                  |
| 3130AMGG1                                  | 14619        | 010  | MC5           | 10,000,000.00    | 10,000,000.00        | 10,000,000.00      | 05/26/2026    | 2.000        | 2.173            | 16,666.67                  | 0.00                    | 16,666.67                  |
| 3130AMFN7                                  | 14620        | 010  | MC5           | 10,000,000.00    | 10,000,000.00        | 10,000,000.00      | 05/26/2026    | 2.000        | 2.173            | 16,666.67                  | 0.00                    | 16,666.67                  |
| 3130AMFT4                                  | 14617        | 010  | MC5           | 10,000,000.00    | 10,000,000.00        | 10,000,000.00      | 05/27/2026    | 1.250        | 1.358            | 10,416.67                  | 0.00                    | 10,416.67                  |
| 3130AMG22                                  | 14618        | 010  | MC5           | 20,000,000.00    | 20,000,000.00        | 20,000,000.00      | 05/27/2026    | 1.500        | 1.629            | 25,000.00                  | 0.00                    | 25,000.00                  |
| 3130AS7K9                                  | 14654        | 010  | MC5           | 5,000,000.00     | 5,000,000.00         | 5,000,000.00       | 05/26/2032    | 4.440        | 4.823            | 18,500.00                  | 0.00                    | 18,500.00                  |
| 3130ASGF0                                  | 14656        | 010  | MC5           | 5,000,000.00     | 5,000,000.00         | 5,000,000.00       | 06/30/2025    | 4.000        | 4.345            | 16,666.67                  | 0.00                    | 16,666.67                  |
| 3130AULM4                                  | 14678        | 010  | MC4           | 5,000,000.00     | 5,000,000.00         | 5,000,000.00       | 01/26/2033    | 5.620        | 6.105            | 23,416.66                  | 0.00                    | 23,416.66                  |
| 3133EPGS8                                  | 14687        | 010  | FAC           | 5,000,000.00     | 4,998,921.42         | 4,999,012.27       | 07/24/2025    | 4.250        | 4.667            | 17,708.34                  | 187.04                  | 17,895.38                  |
| 3133EPPE9                                  | 14689        | 010  | FAC           | 5,000,000.00     | 4,989,080.09         | 4,989,389.06       | 07/06/2026    | 4.375        | 4.929            | 18,229.17                  | 636.11                  | 18,865.28                  |
| 3133EPGG4                                  | 14686        | 010  | FAC           | 5,000,000.00     | 4,965,790.67         | 4,965,959.13       | 04/20/2033    | 4.000        | 4.466            | 16,666.67                  | 346.84                  | 17,013.51                  |
| 3133EPPF6                                  | 14690        | 010  | FAC           | 5,000,000.00     | 4,966,169.00         | 4,966,478.27       | 07/05/2029    | 4.125        | 4.678            | 17,187.50                  | 636.72                  | 17,824.22                  |
| 3133EPQT5                                  | 14695        | 010  | MC5           | 5,000,000.00     | 5,000,000.00         | 5,000,000.00       | 07/25/2033    | 5.650        | 6.138            | 23,541.67                  | 0.00                    | 23,541.67                  |
| 3133ENWW6                                  | 14653        | 010  | MC5           | 5,000,000.00     | 4,995,981.36         | 4,996,003.66       | 05/17/2032    | 4.370        | 4.763            | 18,208.33                  | 45.91                   | 18,254.24                  |

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**Pooled Investments Selected Funds**  
**Interest Earnings**  
**February 1, 2025 - February 28, 2025**

Exhibit 2-B.2

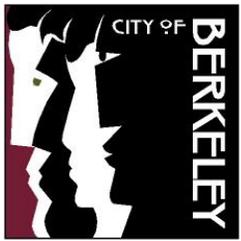
| CUSIP                                      | Investment # | Fund | Security Type   | Ending Par Value      | Beginning Book Value  | Average Book Value    | Maturity Date | Current Rate | Annualized Yield | Adjusted Interest Earnings |                         |                            |
|--------------------------------------------|--------------|------|-----------------|-----------------------|-----------------------|-----------------------|---------------|--------------|------------------|----------------------------|-------------------------|----------------------------|
|                                            |              |      |                 |                       |                       |                       |               |              |                  | Interest Earned            | Amortization/ Accretion | Adjusted Interest Earnings |
| <b>Fund: Pooled Investment - Long Term</b> |              |      |                 |                       |                       |                       |               |              |                  |                            |                         |                            |
| 3133EPEK7                                  | 14682        | 010  | MC5             | 5,000,000.00          | 5,000,000.00          | 5,000,000.00          | 04/03/2025    | 4.620        | 5.019            | 19,250.00                  | 0.00                    | 19,250.00                  |
| 3133ENN22                                  | 14664        | 010  | FAC             | 5,000,000.00          | 4,995,798.91          | 4,996,063.92          | 09/22/2025    | 3.750        | 4.219            | 15,625.00                  | 545.60                  | 16,170.60                  |
| 3133ENV72                                  | 14669        | 010  | FAC             | 5,000,000.00          | 4,993,337.66          | 4,993,518.77          | 07/27/2026    | 4.500        | 4.992            | 18,750.00                  | 372.89                  | 19,122.89                  |
| 3133ENN30                                  | 14668        | 010  | FAC             | 5,000,000.00          | 4,703,091.29          | 4,704,665.09          | 09/20/2032    | 3.875        | 5.371            | 16,145.84                  | 3,240.18                | 19,386.02                  |
| 3133ENUV0                                  | 14644        | 010  | MC5             | 5,000,000.00          | 5,000,000.00          | 5,000,000.00          | 04/19/2032    | 4.000        | 4.345            | 16,666.66                  | 0.00                    | 16,666.66                  |
| 3133EN6K1                                  | 14676        | 010  | MC4             | 5,000,000.00          | 5,000,000.00          | 5,000,000.00          | 01/23/2030    | 4.220        | 4.584            | 17,583.33                  | 0.00                    | 17,583.33                  |
| 3133ENP95                                  | 14666        | 010  | FAC             | 5,000,000.00          | 4,995,382.80          | 4,995,664.31          | 09/30/2025    | 4.250        | 4.772            | 17,708.33                  | 579.57                  | 18,287.90                  |
| 3133ENS50                                  | 14667        | 010  | FAC             | 5,000,000.00          | 4,999,581.07          | 4,999,587.34          | 10/14/2027    | 4.125        | 4.485            | 17,187.50                  | 12.92                   | 17,200.42                  |
| 3133EPAJ4                                  | 14679        | 010  | MC4             | 5,000,000.00          | 5,000,000.00          | 5,000,000.00          | 02/09/2033    | 4.000        | 4.345            | 16,666.66                  | 0.00                    | 16,666.66                  |
| 3133EN6K1                                  | 14677        | 010  | MC4             | 5,000,000.00          | 5,000,000.00          | 5,000,000.00          | 01/23/2030    | 4.220        | 4.584            | 17,583.33                  | 0.00                    | 17,583.33                  |
| 3133ENVV9                                  | 14647        | 010  | MC5             | 5,000,000.00          | 5,000,000.00          | 5,000,000.00          | 05/03/2027    | 3.630        | 3.943            | 15,125.00                  | 0.00                    | 15,125.00                  |
| 3134GXC28                                  | 14657        | 010  | MC5             | 5,000,000.00          | 5,000,000.00          | 5,000,000.00          | 07/18/2025    | 4.100        | 4.454            | 17,083.33                  | 0.00                    | 17,083.33                  |
| 3134GXRS5                                  | 14646        | 010  | MC5             | 5,000,000.00          | 5,000,000.00          | 5,000,000.00          | 04/29/2025    | 3.100        | 3.368            | 12,916.67                  | 0.00                    | 12,916.67                  |
| 617446HD4                                  | 14670        | 010  | MTN             | 10,000,000.00         | 10,676,516.74         | 10,672,695.88         | 04/01/2032    | 7.250        | 6.419            | 60,416.66                  | -7,866.47               | 52,550.19                  |
| 06051GLG2                                  | 14688        | 010  | MC6             | 1,000,000.00          | 1,000,000.00          | 1,000,000.00          | 04/25/2029    | 5.202        | 5.651            | 4,335.00                   | 0.00                    | 4,335.00                   |
| 31422XJW3                                  | 14638        | 010  | MC5             | 10,000,000.00         | 10,000,000.00         | 10,000,000.00         | 07/20/2026    | 1.500        | 1.629            | 12,500.00                  | 0.00                    | 12,500.00                  |
| 24422EWK1                                  | 14663        | 010  | MTN             | 5,000,000.00          | 4,988,251.86          | 4,988,433.21          | 09/15/2027    | 4.150        | 4.616            | 17,291.67                  | 373.36                  | 17,665.03                  |
| 13063DGB8                                  | 14559        | 010  | MUN             | 5,000,000.00          | 5,002,446.69          | 5,001,852.50          | 04/01/2025    | 3.375        | 3.346            | 14,062.50                  | -1,223.34               | 12,839.16                  |
| 91159HHU7                                  | 14562        | 010  | MC3             | 5,000,000.00          | 5,033,600.21          | 5,031,888.32          | 11/17/2025    | 3.950        | 3.351            | 16,458.34                  | -3,524.49               | 12,933.85                  |
| 91159HHM5                                  | 14684        | 010  | MC3             | 5,000,000.00          | 4,873,653.70          | 4,877,781.60          | 04/27/2026    | 3.100        | 5.723            | 12,916.67                  | 8,498.63                | 21,415.30                  |
| 91159HHW3                                  | 14693        | 010  | MC3             | 5,000,000.00          | 4,405,784.65          | 4,411,132.74          | 07/30/2029    | 3.000        | 6.948            | 12,500.00                  | 11,010.78               | 23,510.78                  |
| 20030NBN0                                  | 14563        | 010  | MTN             | 5,000,000.00          | 5,006,676.29          | 5,006,174.83          | 08/15/2025    | 3.375        | 3.393            | 14,062.50                  | -1,032.42               | 13,030.08                  |
| 747525AU7                                  | 14587        | 010  | MTN             | 5,963,000.00          | 6,064,792.42          | 6,063,003.20          | 05/20/2027    | 3.250        | 2.680            | 16,149.80                  | -3,683.68               | 12,466.12                  |
| 751212AC5                                  | 14566        | 010  | MC3             | 5,000,000.00          | 5,017,789.10          | 5,016,631.90          | 09/15/2025    | 3.750        | 3.441            | 15,625.00                  | -2,382.47               | 13,242.53                  |
| 375558BF9                                  | 14570        | 010  | MTN             | 5,000,000.00          | 5,025,792.48          | 5,024,828.81          | 03/01/2026    | 3.650        | 3.431            | 15,208.33                  | -1,984.04               | 13,224.29                  |
| 233851CU6                                  | 14571        | 010  | MTN             | 5,000,000.00          | 5,022,118.83          | 5,021,655.09          | 01/06/2027    | 3.450        | 3.484            | 14,375.00                  | -954.77                 | 13,420.23                  |
| 233851CU6                                  | 14574        | 010  | MTN             | 3,725,000.00          | 3,753,766.98          | 3,753,163.85          | 01/06/2027    | 3.450        | 3.288            | 10,709.37                  | -1,241.74               | 9,467.63                   |
| 07330MAA5                                  | 14588        | 010  | MTN             | 5,000,000.00          | 5,115,135.13          | 5,112,467.91          | 10/30/2026    | 3.800        | 2.637            | 15,833.33                  | -5,491.34               | 10,341.99                  |
| 22553PXJ3                                  | 14655        | 010  | MC3             | 5,000,000.00          | 5,000,000.00          | 5,000,000.00          | 05/31/2032    | 5.000        | 5.531            | 21,214.18                  | 0.00                    | 21,214.18                  |
| 22553PWD7                                  | 14652        | 010  | MC3             | 5,000,000.00          | 5,000,000.00          | 5,000,000.00          | 05/25/2025    | 4.050        | 4.400            | 16,875.00                  | 0.00                    | 16,875.00                  |
| 88579YAR2                                  | 14659        | 010  | MTN             | 5,000,000.00          | 4,972,964.91          | 4,975,082.87          | 08/07/2025    | 3.000        | 4.418            | 12,500.00                  | 4,360.50                | 16,860.50                  |
| 30303M8G0                                  | 14660        | 010  | MTN             | 5,000,000.00          | 4,902,589.44          | 4,904,142.41          | 08/15/2027    | 3.500        | 4.726            | 14,583.33                  | 3,197.29                | 17,780.62                  |
| 857477CD3                                  | 14698        | 010  | MC3             | 4,000,000.00          | 4,000,000.00          | 4,000,000.00          | 08/03/2026    | 5.272        | 5.727            | 17,573.34                  | 0.00                    | 17,573.34                  |
|                                            |              |      | <b>Subtotal</b> | <b>499,963,000.00</b> | <b>499,740,013.70</b> | <b>499,742,276.92</b> |               |              | <b>2.829</b>     | <b>1,079,694.21</b>        | <b>4,659.58</b>         | <b>1,084,353.79</b>        |
| <b>Fund: Wells Fargo MM- Regular</b>       |              |      |                 |                       |                       |                       |               |              |                  |                            |                         |                            |
| SYS14701                                   | 14701        | 025  | RRP             | 108,551,760.19        | 113,871,701.75        | 112,510,368.05        |               |              | 4.183            | 361,040.03                 | 0.00                    | 361,040.03                 |
|                                            |              |      | <b>Subtotal</b> | <b>108,551,760.19</b> | <b>113,871,701.75</b> | <b>112,510,368.05</b> |               |              | <b>4.183</b>     | <b>361,040.03</b>          | <b>0.00</b>             | <b>361,040.03</b>          |

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**Pooled Investments Selected Funds**  
**Interest Earnings**  
**February 1, 2025 - February 28, 2025**

Exhibit 2-B.2

Adjusted Interest Earnings

| CUSIP                              | Investment # | Fund | Security Type   | Ending Par Value      | Beginning Book Value  | Average Book Value    | Maturity Date | Current Rate | Annualized Yield | Interest Earned     | Amortization/ Accretion | Adjusted Interest Earnings |
|------------------------------------|--------------|------|-----------------|-----------------------|-----------------------|-----------------------|---------------|--------------|------------------|---------------------|-------------------------|----------------------------|
| <b>Fund: Fidelity MM - Regular</b> |              |      |                 |                       |                       |                       |               |              |                  |                     |                         |                            |
| SYS14265                           | 14265        | 040  | RRP             | 36,559,867.65         | 36,439,915.67         | 36,444,199.67         |               | 0.003        | 4.291            | 119,951.98          | 0.00                    | 119,951.98                 |
|                                    |              |      | <b>Subtotal</b> | <b>36,559,867.65</b>  | <b>36,439,915.67</b>  | <b>36,444,199.67</b>  |               |              | <b>4.291</b>     | <b>119,951.98</b>   | <b>0.00</b>             | <b>119,951.98</b>          |
|                                    |              |      | <b>Total</b>    | <b>645,074,627.84</b> | <b>650,051,631.12</b> | <b>648,696,844.64</b> |               |              | <b>3.146</b>     | <b>1,560,686.22</b> | <b>4,659.58</b>         | <b>1,565,345.80</b>        |



**Pooled Investments Selected Funds**  
**Interest Earnings**  
**Sorted by Fund - Fund**  
**March 1, 2025 - March 31, 2025**  
**Yield on Average Book Value**

| CUSIP                                      | Investment # | Fund | Security Type | Ending Par Value | Beginning Book Value | Average Book Value | Maturity Date | Current Rate | Annualized Yield | Adjusted Interest Earnings |                         |                            |
|--------------------------------------------|--------------|------|---------------|------------------|----------------------|--------------------|---------------|--------------|------------------|----------------------------|-------------------------|----------------------------|
|                                            |              |      |               |                  |                      |                    |               |              |                  | Interest Earned            | Amortization/ Accretion | Adjusted Interest Earnings |
| <b>Fund: Pooled Investment - Long Term</b> |              |      |               |                  |                      |                    |               |              |                  |                            |                         |                            |
| 3130AMWMO                                  | 14634        | 010  | MC5           | 4,250,000.00     | 4,250,000.00         | 4,250,000.00       | 06/30/2026    | 1.050        | 1.030            | 3,718.75                   | 0.00                    | 3,718.75                   |
| 3130AMPL0                                  | 14631        | 010  | MC5           | 15,000,000.00    | 15,000,000.00        | 15,000,000.00      | 06/08/2026    | 1.150        | 1.128            | 14,375.00                  | 0.00                    | 14,375.00                  |
| 3130AMP71                                  | 14630        | 010  | MC5           | 20,000,000.00    | 20,000,000.00        | 20,000,000.00      | 06/18/2026    | 1.200        | 1.177            | 20,000.00                  | 0.00                    | 20,000.00                  |
| 3130AMMW9                                  | 14632        | 010  | MC5           | 10,000,000.00    | 10,000,000.00        | 10,000,000.00      | 06/10/2026    | 1.500        | 1.472            | 12,500.00                  | 0.00                    | 12,500.00                  |
| 3130AN5U0                                  | 14642        | 010  | MC5           | 10,000,000.00    | 10,000,000.00        | 10,000,000.00      | 07/29/2026    | 1.750        | 1.717            | 14,583.33                  | 0.00                    | 14,583.33                  |
| 3130ANJY7                                  | 14643        | 010  | MC5           | 40,000,000.00    | 40,000,000.00        | 40,000,000.00      | 08/26/2026    | 1.000        | 0.981            | 33,333.33                  | 0.00                    | 33,333.33                  |
| 3130ARYA3                                  | 14651        | 010  | MC5           | 5,000,000.00     | 5,000,000.00         | 5,000,000.00       | 05/26/2027    | 4.000        | 3.925            | 16,666.66                  | 0.00                    | 16,666.66                  |
| 3130ARTE1                                  | 14645        | 010  | MC5           | 6,425,000.00     | 6,425,000.00         | 6,425,000.00       | 04/26/2032    | 4.100        | 4.023            | 21,952.09                  | 0.00                    | 21,952.09                  |
| 3130ARX71                                  | 14648        | 010  | MC5           | 5,000,000.00     | 5,000,000.00         | 5,000,000.00       | 05/23/2025    | 3.000        | 2.944            | 12,500.00                  | 0.00                    | 12,500.00                  |
| 3130AMN57                                  | 14629        | 010  | MC5           | 20,000,000.00    | 20,000,000.00        | 20,000,000.00      | 06/03/2026    | 1.100        | 1.079            | 18,333.33                  | 0.00                    | 18,333.33                  |
| 3130AMN24                                  | 14628        | 010  | MC5           | 10,000,000.00    | 10,000,000.00        | 10,000,000.00      | 06/03/2026    | 1.150        | 1.128            | 9,583.33                   | 0.00                    | 9,583.33                   |
| 3130ALZA5                                  | 14612        | 010  | MC5           | 9,000,000.00     | 9,000,000.00         | 9,000,000.00       | 04/29/2026    | 2.000        | 1.962            | 15,000.00                  | 0.00                    | 15,000.00                  |
| 3130AMAV4                                  | 14611        | 010  | MC5           | 5,600,000.00     | 5,600,000.00         | 5,600,000.00       | 04/29/2027    | 1.250        | 1.226            | 5,833.34                   | 0.00                    | 5,833.34                   |
| 3130AMEX6                                  | 14613        | 010  | MC5           | 15,000,000.00    | 15,000,000.00        | 15,000,000.00      | 05/27/2026    | 1.750        | 1.717            | 21,875.00                  | 0.00                    | 21,875.00                  |
| 3130AMFQ0                                  | 14616        | 010  | MC5           | 15,000,000.00    | 15,000,000.00        | 15,000,000.00      | 05/26/2026    | 1.150        | 1.128            | 14,375.00                  | 0.00                    | 14,375.00                  |
| 3130AMF72                                  | 14615        | 010  | MC5           | 15,000,000.00    | 15,000,000.00        | 15,000,000.00      | 05/27/2026    | 1.300        | 1.276            | 16,250.00                  | 0.00                    | 16,250.00                  |
| 3130AMG22                                  | 14624        | 010  | MC5           | 10,000,000.00    | 10,000,000.00        | 10,000,000.00      | 05/27/2026    | 1.500        | 1.472            | 12,500.00                  | 0.00                    | 12,500.00                  |
| 3130AMLS9                                  | 14627        | 010  | MC5           | 10,000,000.00    | 10,000,000.00        | 10,000,000.00      | 06/17/2026    | 1.500        | 1.472            | 12,500.00                  | 0.00                    | 12,500.00                  |
| 3130AMG55                                  | 14622        | 010  | MC5           | 10,000,000.00    | 10,000,000.00        | 10,000,000.00      | 05/27/2027    | 1.375        | 1.349            | 11,458.33                  | 0.00                    | 11,458.33                  |
| 3130AMGG1                                  | 14619        | 010  | MC5           | 10,000,000.00    | 10,000,000.00        | 10,000,000.00      | 05/26/2026    | 2.000        | 1.962            | 16,666.66                  | 0.00                    | 16,666.66                  |
| 3130AMFN7                                  | 14620        | 010  | MC5           | 10,000,000.00    | 10,000,000.00        | 10,000,000.00      | 05/26/2026    | 2.000        | 1.962            | 16,666.66                  | 0.00                    | 16,666.66                  |
| 3130AMFT4                                  | 14617        | 010  | MC5           | 10,000,000.00    | 10,000,000.00        | 10,000,000.00      | 05/27/2026    | 1.250        | 1.226            | 10,416.67                  | 0.00                    | 10,416.67                  |
| 3130AMG22                                  | 14618        | 010  | MC5           | 20,000,000.00    | 20,000,000.00        | 20,000,000.00      | 05/27/2026    | 1.500        | 1.472            | 25,000.00                  | 0.00                    | 25,000.00                  |
| 3130AS7K9                                  | 14654        | 010  | MC5           | 5,000,000.00     | 5,000,000.00         | 5,000,000.00       | 05/26/2032    | 4.440        | 4.356            | 18,500.00                  | 0.00                    | 18,500.00                  |
| 3130ASGF0                                  | 14656        | 010  | MC5           | 5,000,000.00     | 5,000,000.00         | 5,000,000.00       | 06/30/2025    | 4.000        | 3.925            | 16,666.67                  | 0.00                    | 16,666.67                  |
| 3130AULM4                                  | 14678        | 010  | MC4           | 5,000,000.00     | 5,000,000.00         | 5,000,000.00       | 01/26/2033    | 5.620        | 5.514            | 23,416.67                  | 0.00                    | 23,416.67                  |
| 3133EPGS8                                  | 14687        | 010  | FAC           | 5,000,000.00     | 4,999,108.46         | 4,999,208.01       | 07/24/2025    | 4.250        | 4.215            | 17,708.33                  | 187.03                  | 17,895.36                  |
| 3133EPPE9                                  | 14689        | 010  | FAC           | 5,000,000.00     | 4,989,716.20         | 4,990,054.78       | 07/06/2026    | 4.375        | 4.451            | 18,229.17                  | 636.11                  | 18,865.28                  |
| 3133EPGG4                                  | 14686        | 010  | FAC           | 5,000,000.00     | 4,966,137.51         | 4,966,322.11       | 04/20/2033    | 4.000        | 4.034            | 16,666.66                  | 346.83                  | 17,013.49                  |
| 3133EPPF6                                  | 14690        | 010  | FAC           | 5,000,000.00     | 4,966,805.72         | 4,967,144.62       | 07/05/2029    | 4.125        | 4.225            | 17,187.50                  | 636.72                  | 17,824.22                  |
| 3133EPQT5                                  | 14695        | 010  | MC5           | 5,000,000.00     | 5,000,000.00         | 5,000,000.00       | 07/25/2033    | 5.650        | 5.544            | 23,541.67                  | 0.00                    | 23,541.67                  |
| 3133ENWW6                                  | 14653        | 010  | MC5           | 5,000,000.00     | 4,996,027.27         | 4,996,051.70       | 05/17/2032    | 4.370        | 4.302            | 18,208.34                  | 45.91                   | 18,254.25                  |

**Interest Earnings**

**Exhibit 2-B.3**

**March 1, 2025 - March 31, 2025**

**Adjusted Interest Earnings**

| CUSIP                                      | Investment # | Fund | Security Type   | Ending Par Value      | Beginning Book Value  | Average Book Value    | Maturity Date | Current Rate | Annualized Yield | Interest Earned     | Amortization/ Accretion | Adjusted Interest Earnings |
|--------------------------------------------|--------------|------|-----------------|-----------------------|-----------------------|-----------------------|---------------|--------------|------------------|---------------------|-------------------------|----------------------------|
| <b>Fund: Pooled Investment - Long Term</b> |              |      |                 |                       |                       |                       |               |              |                  |                     |                         |                            |
| 3133EPEK7                                  | 14682        | 010  | MC5             | 5,000,000.00          | 5,000,000.00          | 5,000,000.00          | 04/03/2025    | 4.620        | 4.533            | 19,250.00           | 0.00                    | 19,250.00                  |
| 3133ENN22                                  | 14664        | 010  | FAC             | 5,000,000.00          | 4,996,344.51          | 4,996,634.91          | 09/22/2025    | 3.750        | 3.810            | 15,625.00           | 545.59                  | 16,170.59                  |
| 3133ENV72                                  | 14669        | 010  | FAC             | 5,000,000.00          | 4,993,710.55          | 4,993,909.02          | 07/27/2026    | 4.500        | 4.509            | 18,750.00           | 372.89                  | 19,122.89                  |
| 3133ENN30                                  | 14668        | 010  | FAC             | 5,000,000.00          | 4,706,331.47          | 4,708,056.08          | 09/20/2032    | 3.875        | 4.848            | 16,145.83           | 3,240.18                | 19,386.01                  |
| 3133ENUV0                                  | 14644        | 010  | MC5             | 5,000,000.00          | 5,000,000.00          | 5,000,000.00          | 04/19/2032    | 4.000        | 3.925            | 16,666.67           | 0.00                    | 16,666.67                  |
| 3133EN6K1                                  | 14676        | 010  | MC4             | 5,000,000.00          | 5,000,000.00          | 5,000,000.00          | 01/23/2030    | 4.220        | 4.141            | 17,583.34           | 0.00                    | 17,583.34                  |
| 3133ENP95                                  | 14666        | 010  | FAC             | 5,000,000.00          | 4,995,962.37          | 4,996,270.22          | 09/30/2025    | 4.250        | 4.310            | 17,708.34           | 579.56                  | 18,287.90                  |
| 3133ENS50                                  | 14667        | 010  | FAC             | 5,000,000.00          | 4,999,593.99          | 4,999,600.86          | 10/14/2027    | 4.125        | 4.051            | 17,187.50           | 12.91                   | 17,200.41                  |
| 3133EPAJ4                                  | 14679        | 010  | MC4             | 5,000,000.00          | 5,000,000.00          | 5,000,000.00          | 02/09/2033    | 4.000        | 3.925            | 16,666.67           | 0.00                    | 16,666.67                  |
| 3133EN6K1                                  | 14677        | 010  | MC4             | 5,000,000.00          | 5,000,000.00          | 5,000,000.00          | 01/23/2030    | 4.220        | 4.141            | 17,583.34           | 0.00                    | 17,583.34                  |
| 3133ENVV9                                  | 14647        | 010  | MC5             | 5,000,000.00          | 5,000,000.00          | 5,000,000.00          | 05/03/2027    | 3.630        | 3.562            | 15,125.00           | 0.00                    | 15,125.00                  |
| 3134GXC28                                  | 14657        | 010  | MC5             | 5,000,000.00          | 5,000,000.00          | 5,000,000.00          | 07/18/2025    | 4.100        | 4.023            | 17,083.33           | 0.00                    | 17,083.33                  |
| 3134GXRS5                                  | 14646        | 010  | MC5             | 5,000,000.00          | 5,000,000.00          | 5,000,000.00          | 04/29/2025    | 3.100        | 3.042            | 12,916.66           | 0.00                    | 12,916.66                  |
| 617446HD4                                  | 14670        | 010  | MTN             | 10,000,000.00         | 10,668,650.27         | 10,664,463.28         | 04/01/2032    | 7.250        | 5.802            | 60,416.67           | -7,866.47               | 52,550.20                  |
| 06051GLG2                                  | 14688        | 010  | MC6             | 1,000,000.00          | 1,000,000.00          | 1,000,000.00          | 04/25/2029    | 5.202        | 5.104            | 4,335.00            | 0.00                    | 4,335.00                   |
| 31422XJW3                                  | 14638        | 010  | MC5             | 10,000,000.00         | 10,000,000.00         | 10,000,000.00         | 07/20/2026    | 1.500        | 1.472            | 12,500.00           | 0.00                    | 12,500.00                  |
| 24422EWK1                                  | 14663        | 010  | MTN             | 5,000,000.00          | 4,988,625.22          | 4,988,823.94          | 09/15/2027    | 4.150        | 4.169            | 17,291.66           | 373.35                  | 17,665.01                  |
| 13063DGB8                                  | 14559        | 010  | MUN             | 5,000,000.00          | 5,001,223.35          | 5,000,572.21          | 04/01/2025    | 3.375        | 3.023            | 14,062.50           | -1,223.35               | 12,839.15                  |
| 91159HHU7                                  | 14562        | 010  | MC3             | 5,000,000.00          | 5,030,075.72          | 5,028,199.77          | 11/17/2025    | 3.950        | 3.029            | 16,458.33           | -3,524.50               | 12,933.83                  |
| 91159HHM5                                  | 14684        | 010  | MC3             | 5,000,000.00          | 4,882,152.33          | 4,886,675.79          | 04/27/2026    | 3.100        | 5.160            | 12,916.67           | 8,498.63                | 21,415.30                  |
| 91159HHW3                                  | 14693        | 010  | MC3             | 5,000,000.00          | 4,416,795.43          | 4,422,644.17          | 07/30/2029    | 3.000        | 6.259            | 12,500.00           | 11,010.79               | 23,510.79                  |
| 20030NBN0                                  | 14563        | 010  | MTN             | 5,000,000.00          | 5,005,643.87          | 5,005,094.36          | 08/15/2025    | 3.375        | 3.065            | 14,062.50           | -1,032.41               | 13,030.09                  |
| 747525AU7                                  | 14587        | 010  | MTN             | 5,963,000.00          | 6,061,108.74          | 6,059,148.07          | 05/20/2027    | 3.250        | 2.422            | 16,149.79           | -3,683.68               | 12,466.11                  |
| 751212AC5                                  | 14566        | 010  | MC3             | 5,000,000.00          | 5,015,406.63          | 5,014,138.54          | 09/15/2025    | 3.750        | 3.110            | 15,625.00           | -2,382.47               | 13,242.53                  |
| 375558BF9                                  | 14570        | 010  | MTN             | 5,000,000.00          | 5,023,808.44          | 5,022,752.42          | 03/01/2026    | 3.650        | 3.100            | 15,208.33           | -1,984.03               | 13,224.30                  |
| 233851CU6                                  | 14571        | 010  | MTN             | 5,000,000.00          | 5,021,164.06          | 5,020,655.88          | 01/06/2027    | 3.450        | 3.147            | 14,375.00           | -954.77                 | 13,420.23                  |
| 233851CU6                                  | 14574        | 010  | MTN             | 3,725,000.00          | 3,752,525.24          | 3,751,864.31          | 01/06/2027    | 3.450        | 2.971            | 10,709.38           | -1,241.74               | 9,467.64                   |
| 07330MAA5                                  | 14588        | 010  | MTN             | 5,000,000.00          | 5,109,643.79          | 5,106,726.88          | 10/30/2026    | 3.800        | 2.384            | 15,833.33           | -5,491.34               | 10,341.99                  |
| 22553PXJ3                                  | 14655        | 010  | MC3             | 5,000,000.00          | 5,000,000.00          | 5,000,000.00          | 05/31/2032    | 5.000        | 4.799            | 20,380.44           | 0.00                    | 20,380.44                  |
| 22553PWD7                                  | 14652        | 010  | MC3             | 5,000,000.00          | 5,000,000.00          | 5,000,000.00          | 05/25/2025    | 4.050        | 3.974            | 16,875.00           | 0.00                    | 16,875.00                  |
| 88579YAR2                                  | 14659        | 010  | MTN             | 5,000,000.00          | 4,977,325.41          | 4,979,646.32          | 08/07/2025    | 3.000        | 3.987            | 12,500.00           | 4,360.50                | 16,860.50                  |
| 30303M8G0                                  | 14660        | 010  | MTN             | 5,000,000.00          | 4,905,786.73          | 4,907,488.51          | 08/15/2027    | 3.500        | 4.266            | 14,583.34           | 3,197.28                | 17,780.62                  |
| 857477CD3                                  | 14698        | 010  | MC3             | 4,000,000.00          | 4,000,000.00          | 4,000,000.00          | 08/03/2026    | 5.272        | 5.173            | 17,573.33           | 0.00                    | 17,573.33                  |
|                                            |              |      | <b>Subtotal</b> | <b>499,963,000.00</b> | <b>499,744,673.28</b> | <b>499,747,146.77</b> |               |              | <b>2.553</b>     | <b>1,078,860.44</b> | <b>4,659.52</b>         | <b>1,083,519.96</b>        |
| <b>Fund: Wells Fargo MM- Regular</b>       |              |      |                 |                       |                       |                       |               |              |                  |                     |                         |                            |
| SYS14701                                   | 14701        | 025  | RRP             | 115,761,745.59        | 108,551,760.19        | 108,669,027.99        |               |              | 4.161            | 383,993.51          | 0.00                    | 383,993.51                 |
|                                            |              |      | <b>Subtotal</b> | <b>115,761,745.59</b> | <b>108,551,760.19</b> | <b>108,669,027.99</b> |               |              | <b>4.161</b>     | <b>383,993.51</b>   | <b>0.00</b>             | <b>383,993.51</b>          |

**Page 23 of 31**  
**Pooled Investments Selected Funds**

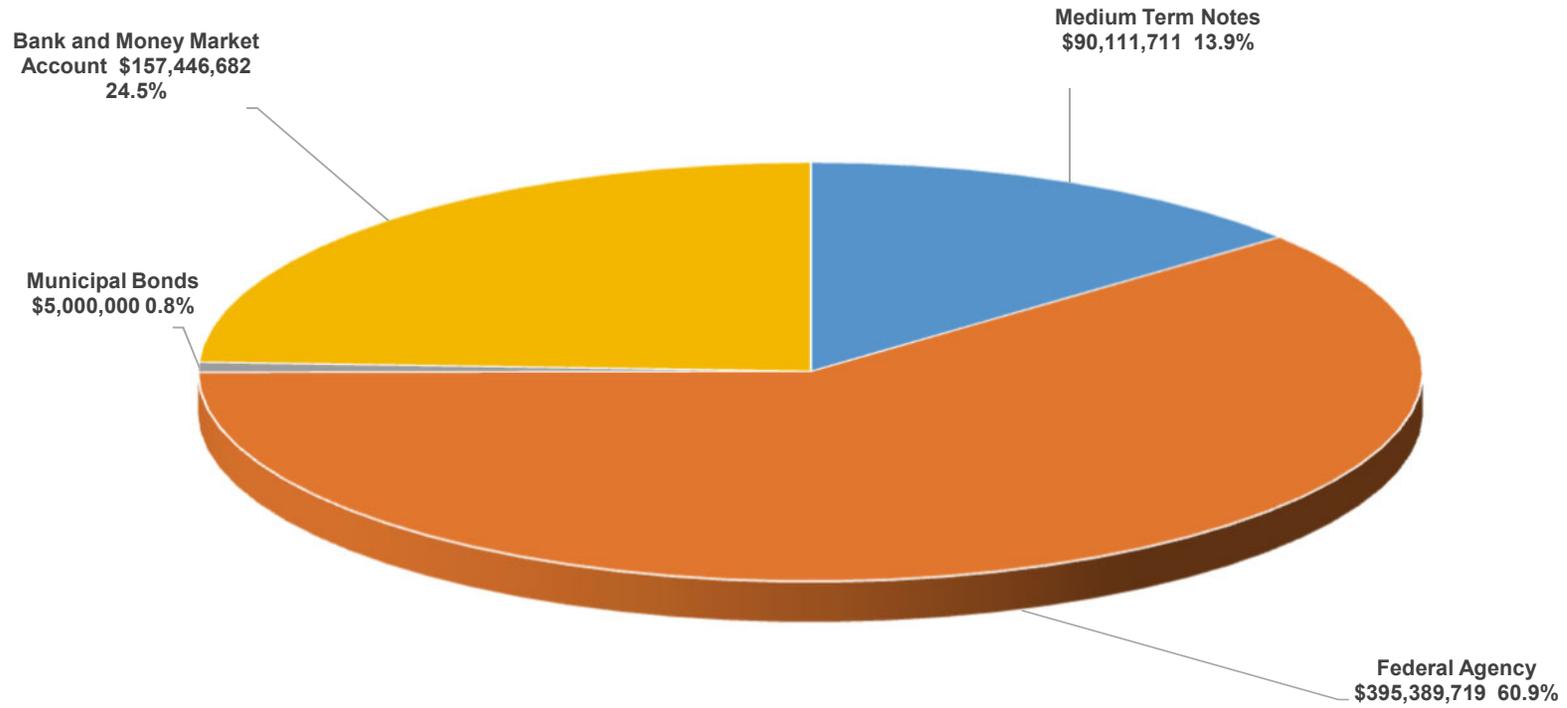
**Interest Earnings**

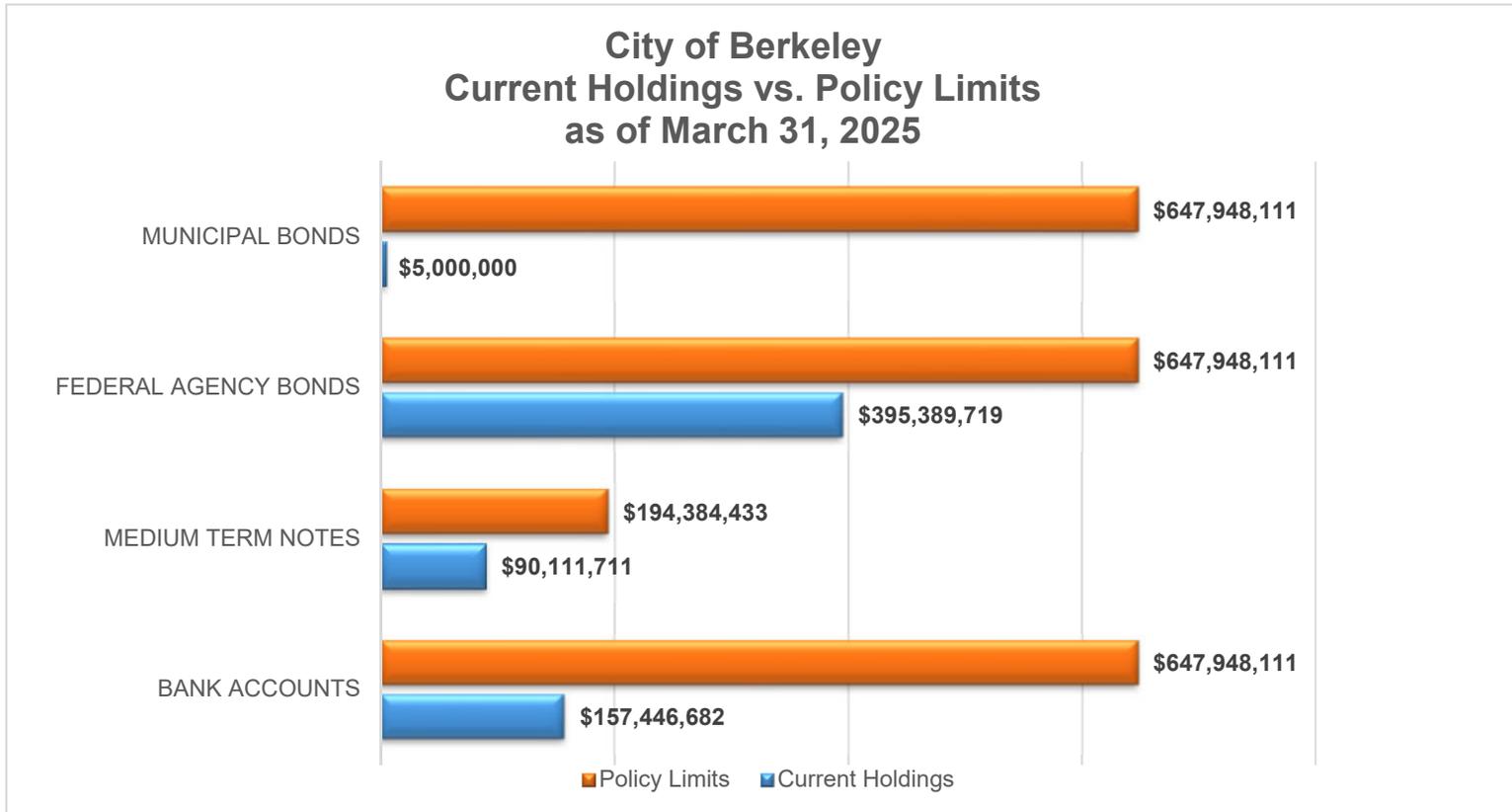
**Exhibit 2-B.3**

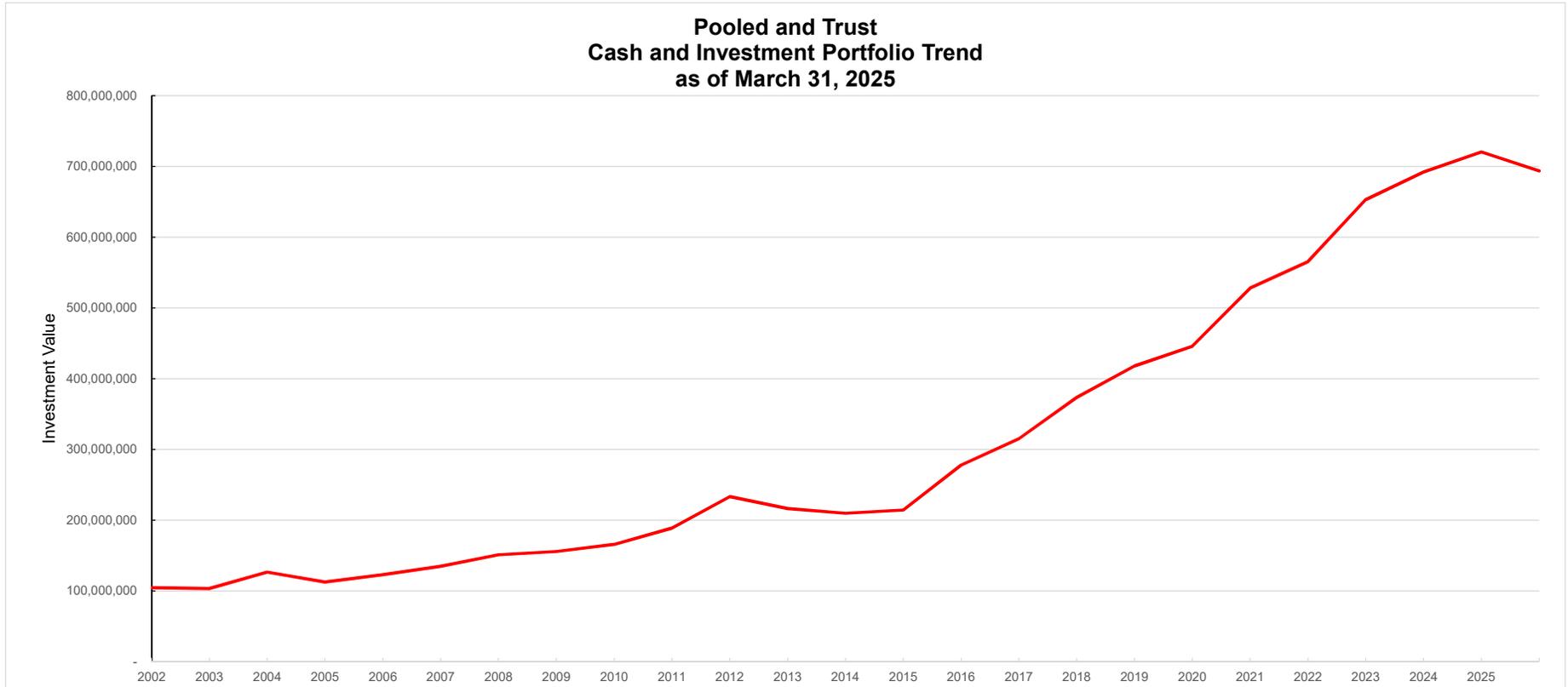
**March 1, 2025 - March 31, 2025**

| CUSIP                              | Investment # | Fund | Security Type   | Ending Par Value      | Beginning Book Value  | Average Book Value    | Maturity Date | Current Rate | Adjusted Interest Earnings |                     |                         |                            |
|------------------------------------|--------------|------|-----------------|-----------------------|-----------------------|-----------------------|---------------|--------------|----------------------------|---------------------|-------------------------|----------------------------|
|                                    |              |      |                 |                       |                       |                       |               |              | Annualized Yield           | Interest Earned     | Amortization/ Accretion | Adjusted Interest Earnings |
| <b>Fund: Fidelity MM - Regular</b> |              |      |                 |                       |                       |                       |               |              |                            |                     |                         |                            |
| SYS14265                           | 14265        | 040  | RRP             | 36,692,095.72         | 36,559,867.65         | 36,564,133.07         |               | 0.003        | 4.258                      | 132,228.07          | 0.00                    | 132,228.07                 |
|                                    |              |      | <b>Subtotal</b> | <b>36,692,095.72</b>  | <b>36,559,867.65</b>  | <b>36,564,133.07</b>  |               |              | <b>4.258</b>               | <b>132,228.07</b>   | <b>0.00</b>             | <b>132,228.07</b>          |
|                                    |              |      | <b>Total</b>    | <b>652,416,841.31</b> | <b>644,856,301.12</b> | <b>644,980,307.84</b> |               |              | <b>2.920</b>               | <b>1,595,082.02</b> | <b>4,659.52</b>         | <b>1,599,741.54</b>        |

Pooled Cash and Investments  
(Market Value)  
as of March 31, 2025







## Exhibit 2-F

## Investments Yielding 2 Percent or Less Maturing in 2026 or 2027

| <u>Investment<br/>Number</u> | <u>Investment<br/>Par Value</u> | <u>Interest<br/>Rate</u> | <u>Maturity<br/>Date</u> |
|------------------------------|---------------------------------|--------------------------|--------------------------|
| 14619                        | 10,000,000                      | 2.00%                    | 05/26/2026               |
| 14620                        | 10,000,000                      | 2.00%                    | 05/26/2026               |
| 14618                        | 20,000,000                      | 1.25%                    | 05/27/2026               |
| 14622                        | 10,000,000                      | 1.38%                    | 05/27/2026               |
| 14632                        | 10,000,000                      | 1.50%                    | 06/10/2026               |
| 14630                        | 20,000,000                      | 1.20%                    | 06/18/2026               |
| 14629                        | 20,000,000                      | 1.10%                    | 06/02/2026               |
| 14627                        | 10,000,000                      | 1.30%                    | 06/17/2026               |
| 14628                        | 10,000,000                      | 1.15%                    | 06/03/2026               |
| 14643                        | 40,000,000                      | 1.00%                    | 08/26/2026               |
| 14642                        | 10,000,000                      | 1.75%                    | 07/29/2026               |
| 14631                        | 15,000,000                      | 1.15%                    | 06/08/2026               |
| 14634                        | 4,250,000                       | 1.05%                    | 06/30/2026               |
| 14616                        | 15,000,000                      | 1.15%                    | 05/26/2026               |
| 14611                        | 5,600,000                       | 1.25%                    | 04/29/2027               |
| 14624                        | 10,000,000                      | 1.25%                    | 05/27/2026               |
| 14613                        | 15,000,000                      | 1.75%                    | 05/27/2026               |
| 14612                        | 9,000,000                       | 2.00%                    | 04/29/2026               |
| 14615                        | 15,000,000                      | 1.30%                    | 05/27/2026               |
| 14638                        | 10,000,000                      | 1.50%                    | 07/20/2026               |
|                              | <u>\$268,850,000</u>            |                          |                          |



**Summary of Pooled Cash and Investments - Trust Funds**  
**(Market Value)**  
**As of March 31, 2025**

|                                         |                                       | <u>Pooled Cash</u>  | <u>Investments<br/>(Book Value)</u> | <u>Gain/Loss on<br/>Investments</u> | <u>Pooled Cash<br/>&amp; Investments<br/>(Market Value)</u> |
|-----------------------------------------|---------------------------------------|---------------------|-------------------------------------|-------------------------------------|-------------------------------------------------------------|
| <b>Retiree Medical Trust Fund</b>       |                                       |                     |                                     |                                     |                                                             |
| <b>Fund No.</b>                         |                                       |                     |                                     |                                     |                                                             |
| 721                                     | BHA                                   | \$ 2,573            | \$ 578,411                          | \$ 26,532                           | \$ 607,516                                                  |
| 722                                     | M1=IBEW                               | (224,507)           | 83,257                              | (5,826)                             | (147,076)                                                   |
| 723                                     | M2=Local 1                            | 317,050             | 13,414,423                          | 20,740                              | 13,752,212                                                  |
| 724                                     | MUI=Z1                                | 39,185              | 2,231,057                           | (146,421)                           | 2,123,820                                                   |
| 725                                     | MUI=Z2 to Z6                          | 53,821              | 3,206,292                           | (111,604)                           | 3,148,509                                                   |
| 726                                     | M535= Local 535                       | 251,732             | 12,010,340                          | (443,153)                           | 11,818,919                                                  |
| 727                                     | M3=Local 790                          | 116,603             | 7,291,630                           | (129,206)                           | 7,279,027                                                   |
| <b>Total Retiree Medical Trust Fund</b> |                                       | <b>556,455</b>      | <b>38,815,410</b>                   | <b>(788,939)</b>                    | <b>38,582,927</b>                                           |
| <b>Fire Medical Trust Fund</b>          |                                       |                     |                                     |                                     |                                                             |
| 736                                     | Fire Medical Trust Fund               | 370,064             | 14,889,527                          | (681,007)                           | 14,578,584                                                  |
| <b>Total Fire Medical Trust Fund</b>    |                                       | <b>370,064</b>      | <b>14,889,527</b>                   | <b>(681,007)</b>                    | <b>14,578,584</b>                                           |
| <b>Police Medical Trust Fund</b>        |                                       |                     |                                     |                                     |                                                             |
| 731                                     | Police EE Retiree HLT Assistance Plan | 565,454             | 1,783,343                           | (173,069)                           | 2,175,727                                                   |
| 701                                     | Safety Members Pension Fund           | 387,453             | -                                   | -                                   | 387,453                                                     |
| 706                                     | Police Medical Trust Fund             | 27,362              | 3,089,831                           | (255,895)                           | 2,861,298                                                   |
| <b>Total Police Medical Trust Fund</b>  |                                       | <b>980,268</b>      | <b>4,873,174</b>                    | <b>(428,964)</b>                    | <b>5,424,478</b>                                            |
| <b>Total Trust Funds</b>                |                                       | <b>\$ 1,906,788</b> | <b>\$ 58,578,110</b>                | <b>\$ (1,898,910)</b>               | <b>\$ 58,585,989</b>                                        |



**Retiree Medical Trust Fund  
Fund 721 - 727  
Interest Earnings  
January 01 to March 31, 2025**

| CUSIP                                     | Investment # | Issuer                        | Investments<br>As of March 31, 2025 |                      |                      |                      |               | Interest Earnings<br>January 01 to March 31, 2025 |              |                  |                            |                         |                            |
|-------------------------------------------|--------------|-------------------------------|-------------------------------------|----------------------|----------------------|----------------------|---------------|---------------------------------------------------|--------------|------------------|----------------------------|-------------------------|----------------------------|
|                                           |              |                               | Par Value                           | Beginning Book Value | Ending Book Value    | Market Value         | Maturity Date | Moody's Rating                                    | Current Rate | Annualized Yield | Adjusted Interest Earnings |                         |                            |
|                                           |              |                               |                                     |                      |                      |                      |               |                                                   |              |                  | Interest Earned            | Amortization/ Accretion | Adjusted Interest Earnings |
| <b>Federal Agency Coupon Securities</b>   |              |                               |                                     |                      |                      |                      |               |                                                   |              |                  |                            |                         |                            |
| 3133EFQT7                                 | 14361        | Fed Farm Credit Bank          | 2,600,000.00                        | 2,601,637.17         | 2,601,182.40         | 2,574,520.00         | 11/25/2025    | AAA                                               | 2.700        | 2.665            | 17,550.00                  | (454.77)                | 17,095.23                  |
| <b>Medium Term Notes - Callable</b>       |              |                               |                                     |                      |                      |                      |               |                                                   |              |                  |                            |                         |                            |
| 26442UUA8                                 | 14705        | Duke Energy Progress LLC      | 2,000,000.00                        | -                    | 1,997,656.35         | 1,990,400.00         | 03/15/2035    | AA3                                               | 5.050        | 4.940            | 7,013.89                   | 16.35                   | 7,030.24                   |
| 665859AX2                                 | 14671        | Northern Trust Corp           | 10,000,000.00                       | 10,013,343.63        | 10,012,917.92        | 10,679,600.00        | 11/02/2032    | A2                                                | 6.125        | 6.185            | 153,125.00                 | (425.71)                | 152,699.29                 |
| <b>Federal Agency Continuous Callable</b> |              |                               |                                     |                      |                      |                      |               |                                                   |              |                  |                            |                         |                            |
| 3133EPMQ5                                 | 14691        | Misc Federal Farm Credit Bank | 4,746,000.00                        | 4,715,749.71         | 4,716,643.81         | 4,748,467.92         | 06/16/2033    | AAA                                               | 5.360        | 5.546            | 63,596.40                  | 894.10                  | 64,490.50                  |
| 3133EPNL5                                 | 14692        | Misc Federal Farm Credit Bank | 3,796,800.00                        | 3,773,237.00         | 3,773,931.84         | 3,804,849.22         | 06/23/2033    | AAA                                               | 5.180        | 5.359            | 49,168.56                  | 694.84                  | 49,863.40                  |
| <b>Continous Callable Bonds</b>           |              |                               |                                     |                      |                      |                      |               |                                                   |              |                  |                            |                         |                            |
| 797440CD4                                 | 14680        | San Diego Gas & Electric      | 2,000,000.00                        | 1,980,225.78         | 1,980,400.78         | 1,874,580.00         | 04/01/2053    | A1                                                | 5.350        | 5.514            | 26,750.00                  | 175.00                  | 26,925.00                  |
| <b>Corporate Bonds - Callable</b>         |              |                               |                                     |                      |                      |                      |               |                                                   |              |                  |                            |                         |                            |
| 25161FXB9                                 | 14706        | Deutsche Bank                 | 4,000,000.00                        | -                    | 4,000,000.00         | 4,031,480.00         | 03/29/2040    | A1                                                | 5.476        | 0.000            | -                          | -                       | -                          |
| <b>Municipal Bonds</b>                    |              |                               |                                     |                      |                      |                      |               |                                                   |              |                  |                            |                         |                            |
| 786091AG3                                 | 14316        | SACGEN                        | 3,785,000.00                        | 3,808,861.15         | 3,798,634.94         | 3,818,875.75         | 08/01/2025    | A1                                                | 7.250        | 6.224            | 68,603.13                  | (10,226.21)             | 58,376.92                  |
| <b>Savo Island Loan</b>                   |              |                               |                                     |                      |                      |                      |               |                                                   |              |                  |                            |                         |                            |
| SYS10988                                  | 10988        | EMPMED                        | 54,000.00                           | 54,000.00            | 54,000.00            | 54,000.00            | 09/01/2025    | N/A                                               | 8.000        | 8.037            | 1,070.12                   | -                       | 1,070.12                   |
| <b>Preferred Securities</b>               |              |                               |                                     |                      |                      |                      |               |                                                   |              |                  |                            |                         |                            |
| 00206R706                                 | 14591        | AT&T Inc.                     | 1,680,033.60                        | 1,680,033.60         | 1,680,033.60         | 1,271,358.76         | N/A           | N/A                                               | 4.596        | 4.628            | 19,170.73                  | -                       | 19,170.73                  |
| 00206R706                                 | 14596        | AT&T Inc.                     | 1,680,008.40                        | 1,680,008.40         | 1,680,008.40         | 1,271,339.69         | N/A           | N/A                                               | 4.640        | 4.655            | 19,284.40                  | -                       | 19,284.40                  |
| 00206R706                                 | 14597        | AT&T Inc.                     | 2,520,000.00                        | 2,520,000.00         | 2,520,000.00         | 1,907,000.00         | N/A           | N/A                                               | 4.643        | 4.657            | 28,938.20                  | -                       | 28,938.20                  |
| <b>Pooled Cash</b>                        |              |                               |                                     |                      |                      |                      |               |                                                   |              |                  |                            |                         |                            |
|                                           |              |                               | 556,455.42                          | 5,661,403.97         | 556,455.42           | 556,455.42           | N/A           | N/A                                               |              | 5.052            | 62,976.00                  | -                       | 62,976.00                  |
| <b>Total</b>                              |              |                               | <b>39,418,297.42</b>                | <b>38,488,500.41</b> | <b>39,371,865.46</b> | <b>38,582,926.76</b> |               |                                                   |              | <b>5.351</b>     | <b>517,246.43</b>          | <b>(9,326.40)</b>       | <b>507,920.03</b>          |

**Total Pooled Cash and Investments (Book Value) \$ 39,371,865.46**  
**Gain/Loss on Investments (788,938.70)**  
**Total Pooled Cash and Investments (Market Value) 38,582,926.76**



**Fire Retiree Medical  
Fund 736  
Interest Earnings  
January 01 to March 31, 2025**

| Investments<br>As of March 31, 2025         |              |                               |                         |                         |                         |                         |               |                | Interest Earnings<br>January 01 to March 31, 2025 |                  |                            |                            |                            |
|---------------------------------------------|--------------|-------------------------------|-------------------------|-------------------------|-------------------------|-------------------------|---------------|----------------|---------------------------------------------------|------------------|----------------------------|----------------------------|----------------------------|
| CUSIP                                       | Investment # | Issuer                        | Par Value               | Beginning Book Value    | Ending Book Value       | Market Value            | Maturity Date | Moody's Rating | Current Rate                                      | Annualized Yield | Adjusted Interest Earnings |                            |                            |
|                                             |              |                               |                         |                         |                         |                         |               |                |                                                   |                  | Interest Earned            | Amortization/<br>Accretion | Adjusted Interest Earnings |
| <b>Medium Term Notes</b>                    |              |                               |                         |                         |                         |                         |               |                |                                                   |                  |                            |                            |                            |
| 6174467X1                                   | 14318        | Morgan Stanley DW DTC#0015    | 2,000,000.00            | 2,006,926.30            | 2,004,996.37            | 2,006,580.00            | 11/24/2025    | BAA1           | 5.000                                             | 4.664            | 25,000.00                  | (1,929.93)                 | 23,070.07                  |
| <b>Federal Agency Coupon Securities</b>     |              |                               |                         |                         |                         |                         |               |                |                                                   |                  |                            |                            |                            |
| 3133EFQT7                                   | 14362        | Fed Farm Credit Bank          | 2,300,000.00            | 2,301,448.27            | 2,301,045.97            | 2,277,460.00            | 11/25/2025    | AAA            | 2.700                                             | 2.665            | 15,525.00                  | (402.30)                   | 15,122.70                  |
| <b>Federal Agency Continuously Callable</b> |              |                               |                         |                         |                         |                         |               |                |                                                   |                  |                            |                            |                            |
| 3133EPMQ5                                   | 14691        | Fire Federal Farm Credit Bank | 35,500.00               | 35,273.73               | 35,280.42               | 35,518.46               | 06/16/2033    | AAA            | 5.360                                             | 5.546            | 475.70                     | 6.69                       | 482.39                     |
| 3133EPNL5                                   | 14692        | Fire Federal Farm Credit Bank | 28,400.00               | 28,223.75               | 28,228.95               | 28,460.21               | 06/23/2033    | AAA            | 5.180                                             | 5.359            | 367.78                     | 5.20                       | 372.98                     |
| 3133ER6C0                                   | 14704        | Federal Farm Credit Bank      | 4,000,000.00            | -                       | 4,000,000.00            | 3,996,200.00            | 03/06/2025    | AAA            | 5.740                                             | 5.596            | 15,944.44                  | -                          | 15,944.44                  |
| 3130B5CR7                                   | 14703        | Federal Home Loan Banks       | 4,000,000.00            | -                       | 4,000,000.00            | 3,957,320.00            | 03/06/2025    | AAA            | 5.890                                             | 5.742            | 16,361.11                  | -                          | 16,361.11                  |
| <b>Preferred Securities</b>                 |              |                               |                         |                         |                         |                         |               |                |                                                   |                  |                            |                            |                            |
| 00206R706                                   | 14592        | AT&T Inc.                     | 1,679,983.20            | 1,679,983.20            | 1,679,983.20            | 1,271,320.62            | N/A           | N/A            | 4.596                                             | 4.628            | 19,170.16                  | -                          | 19,170.16                  |
| 00206R706                                   | 14594        | AT&T Inc.                     | 839,991.60              | 839,991.60              | 839,991.60              | 635,660.31              | N/A           | N/A            | 4.640                                             | 4.655            | 9,642.05                   | -                          | 9,642.05                   |
| <b>Pooled Cash</b>                          |              |                               |                         |                         |                         |                         |               |                |                                                   |                  |                            |                            |                            |
|                                             |              |                               | 370,064.33              | 8,009,844.37            | 370,064.33              | 370,064.33              | N/A           | N/A            |                                                   | 5.083            | 84,748.00                  | -                          | 84,748.00                  |
| <b>Total</b>                                |              |                               | <b>\$ 15,253,939.13</b> | <b>\$ 14,901,691.22</b> | <b>\$ 15,259,590.84</b> | <b>\$ 14,578,583.93</b> |               |                |                                                   | <b>4.696</b>     | <b>\$ 187,234.24</b>       | <b>\$ (2,320.34)</b>       | <b>\$ 184,913.90</b>       |

**Total Pooled Cash and Investments (Book Value) \$ 15,259,590.84**  
**Gain/Loss on Investments (681,006.91)**  
**Total Pooled Cash and Investments (Market Value) 14,578,583.93**



Police Retiree Medical  
Fund 731 and 706  
Interest Earnings  
January 01 to March 31, 2025

| Investments<br>As of March 31, 2025         |              |                              |                        |                        |                        |                        |               |                | Interest Earnings<br>January 01 to March 31, 2025 |                  |                     |                            |                            |
|---------------------------------------------|--------------|------------------------------|------------------------|------------------------|------------------------|------------------------|---------------|----------------|---------------------------------------------------|------------------|---------------------|----------------------------|----------------------------|
| CUSIP                                       | Investment # | Issuer                       | Par Value              | Beginning Book Value   | Ending Book Value      | Market Value           | Maturity Date | Moody's Rating | Current Rate                                      | Annualized Yield | Interest Earned     | Amortization/<br>Accretion | Adjusted Interest Earnings |
| <b>Medium Term Notes</b>                    |              |                              |                        |                        |                        |                        |               |                |                                                   |                  |                     |                            |                            |
| 6174467X1                                   | 14319        | Morgan Stanley DW DTC#0015   | 500,000.00             | 501,731.57             | 501,249.09             | 501,645.00             | 11/24/2025    | BAA1           | 5.000                                             | 4.664            | 6,250.00            | (482.48)                   | 5,767.52                   |
| <b>Federal Agency Coupon Securities</b>     |              |                              |                        |                        |                        |                        |               |                |                                                   |                  |                     |                            |                            |
| 3133EFQT7                                   | 14363        | Fed. Farm Credit Banks       | 2,300,000.00           | 2,301,448.27           | 2,301,045.97           | 2,277,460.00           | 11/25/2025    | AAA            | 2.700                                             | 2.665            | 15,525.00           | (402.30)                   | 15,122.70                  |
| <b>Federal Agency Continuously Callable</b> |              |                              |                        |                        |                        |                        |               |                |                                                   |                  |                     |                            |                            |
| 3133EPMQ5                                   | 14691        | Pol Federal Farm Credit Bank | 218,500.00             | 217,107.31             | 217,148.48             | 218,613.62             | 06/16/2033    | AAA            | 5.360                                             | 5.546            | 2,927.90            | 41.17                      | 2,969.07                   |
| 3133EPNL5                                   | 14692        | Pol Federal Farm Credit Bank | 174,800.00             | 173,715.19             | 173,747.18             | 175,170.58             | 06/23/2033    | AAA            | 5.180                                             | 5.359            | 2,263.66            | 31.99                      | 2,295.65                   |
| <b>Preferred Securities</b>                 |              |                              |                        |                        |                        |                        |               |                |                                                   |                  |                     |                            |                            |
| 00206R706                                   | 14593        | AT&T Inc.                    | 1,679,983.20           | 1,679,983.20           | 1,679,983.20           | 1,271,320.62           | N/A           | N/A            | 4.596                                             | 4.628            | 19,170.16           | -                          | 19,170.16                  |
| <b>Pooled Cash</b>                          |              |                              |                        |                        |                        |                        |               |                |                                                   |                  |                     |                            |                            |
|                                             |              |                              | 592,815.77             | 900,921.90             | 592,815.77             | 592,815.77             | N/A           | N/A            |                                                   | 4.502            | 8,583.00            | -                          | 8,583.00                   |
| <b>Total</b>                                |              |                              | <b>\$ 5,466,098.97</b> | <b>\$ 5,774,907.44</b> | <b>\$ 5,465,989.69</b> | <b>\$ 5,037,025.59</b> |               |                |                                                   | <b>3.871</b>     | <b>\$ 54,719.72</b> | <b>\$ (811.62)</b>         | <b>\$ 53,908.10</b>        |

|                                                  |                 |
|--------------------------------------------------|-----------------|
| Total Pooled Cash and Investments (Book Value)   | \$ 5,465,989.69 |
| Gain/Loss on Investments                         | (428,964.10)    |
| Total Pooled Cash and Investments (Market Value) | 5,037,025.59    |
| Fund 701 Safety Members Pension Fund Cash        | 387,452.76      |
| Total Investments (Market Value) and Cash        | 5,424,478.35    |





Office of the City Manager

INFORMATION CALENDAR  
JUNE 24, 2025

To: Honorable Mayor and Members of the City Council  
From: Paul Buddenhagen, City Manager  
Submitted by: Henry Oyekanmi, Director, Finance Department  
Subject: FY 2025 Second Quarter Investment Report: Ended December 31, 2024

**SUMMARY**

The City's investment policy requires that a quarterly investment report be submitted to the City Council on the status of the investment portfolio. The report includes all investments managed by the City of Berkeley and provides information on the types, values (par, book, and market), term, and yield of each security.

- The return on pooled investments for the quarter ended December 31, 2024 was 2.90%, 158 basis points less than the 4.48% earned by the State Local Agency Investment Fund (State LAIF), which is the benchmark for investment performance used by the City. The returns earned on State LAIF's portfolio are currently higher because it has a much shorter maturity than the City and current rates are much higher than the rates earned on investments that were in the City's portfolio before the Fed raised rates to 5.50% from a range of 0% to .25%.

The return on pooled investments of 2.90% for the quarter ended December 31, 2024 was 26 basis points less than the rate of 3.16% earned in the quarter ended September 30, 2024.

- The average return on all Retiree Medical Trust Fund investments was 4.29% for the quarter ended December 31, 2024.

**CURRENT SITUATION AND ITS EFFECTS**

Attached is a summary of the quarterly report for fiscal year 2025 Second Quarter ending December 31, 2024 representing the status of the City's investment portfolio. The report includes all investments managed by the City of Berkeley and provides information on the values (par, book, and market), term, and yield of each security.

Summary information by type of security and detailed information on each security is provided on Exhibit 2-A. An evaluation of portfolio performance for this accounting period compared to the previous three accounting periods is also included in Attachment 1.

### **A. Portfolio Results**

As a result of the differences in the investment policies of different cities, including responsible investing policies, maturity restrictions, investment restrictions, etc., it was difficult for the City of Berkeley to come up with a reasonable performance measure for pooled cash investments. In order to provide some measure of the relative performance of the City's investment returns, many years ago the City established the State Local Agency Investment Fund (LAIF) as the performance measure to be reported in the quarterly investment reports, since many local governments invested significant portions of their investment portfolios in LAIF.

LAIF was intended to be a reference point to compare the City's investment performance against, rather than a true performance measure, since most cities typically earn a yield higher than LAIF in normal interest rate environments, and because LAIF's average maturity of its investments is normally shorter than that of most cities. As a result, past City Councilmembers requested that information about the rates earned by other California cities be included in the quarterly investment reports for comparison purposes, despite the differences in the investment policies of the various cities.

The most significant difference in investment policies is the maximum period of the investments. The impact of this difference between the various cities has played out in the interest rate environment since the Fed unexpectedly raised short-term interest rates from zero percent to 5.5 percent from March 17, 2022 to July 26, 2023, to combat sharply rising inflation that the Fed thought was "transitory" and under control:

- First, it is important to summarize the interest rate environment that existed the quarter before the Fed started raising the Federal Funds rate on March 17, 2022: At that time, interest rates were around 1% and the interest rates earned by selected California cities ranged between .23% and 1.62%, with an average of .94%. Furthermore, the city that was at the top of the list back then is at the bottom of the list in the First Quarter FY 2025 investment report;
- Since the Fed thought the rise in inflation was "transitory", there was no warning that Fed monetary policy would immediately reverse from easing to tightening. As a result, it is reasonable to assume that portfolios were loaded with investments that were yielding between 1%-2%. In addition, the Fed didn't give the market any indication how long or how high it would raise rates. It kept indicating that it felt the increase in inflation was "transitory";

- Bond prices and interest rates have an inverse relationship. When interest rates rise, bond prices fall and vice versa. As the Fed started raising rates, the market values of the investments declined. If investments were sold at that time, the city selling would incur large investment losses, so the only reasonable option was to hold the investments to maturity, since the Fed wasn't indicating how high it would raise rates;
- The investments yielding 1% to 2% of cities with short average investment maturities matured sooner than cities with longer average investment maturities. As a result, those cities were able to reinvest at the current higher rates and have higher interest rates earned, while cities with longer average investment maturities had to wait for their low-yielding investments to mature to reinvest. For example, the City of Berkeley's investment portfolio held \$263.3 million (or 40.0% of the City's portfolio at that time and 42.4% of the City's current portfolio) of such investments that will mature in CY 2026-See Exhibit 2-F.

1. Liquidity of Portfolio:

The average investment in the pooled portfolio matures in 835 days as of December 31, 2024. This is 76 days less than the 911 maturity days as of September 30, 2024.

2. Comparison of Results to Performance Measures – Pooled investments: Quarter Ended December 31, 2024

The City's yield on investments for the quarter ended December 31, 2024 was 2.90%, a decrease of 26 basis points (.26%) from the 3.16 earned during the quarter ended September 30, 2024. The average yield on a 91-day Treasury bill at the end of the quarter ended December 31, 2024 was 4.27%, a decrease of 35 basis points (0.35%) from the 4.62% at the end of the previous quarter. The .35% decline in the 91-day Treasury yield was primarily due to the reduction of .25% in the Federal Funds rate by the Fed on November 7, 2024 and a reduction of .25% on December 18, 2024.

As summarized in Table 1, staff's overall results were under the performance measure for the quarter by 158 basis points. Staff's performance was under the performance measure in October by approximately 160 basis points (-1.60%); under the performance measure in November by approximately 161 basis points (-1.61%); and, was under the performance measure in December by approximately 152 basis points (-1.52%). The performance measure for the return on investments is compared to the rate of return of the State LAIF.

**Table 1**

| For Quarter Ending December 31, 2024 |       |            |            |
|--------------------------------------|-------|------------|------------|
| Period                               | City  | State LAIF | Difference |
| Oct-24                               | 2.92% | 4.52%      | -1.60%     |
| Nov-24                               | 2.87% | 4.48%      | -1.61%     |
| Dec-24                               | 2.91% | 4.43%      | -1.52%     |
| Oct 1-Dec 31                         | 2.90% | 4.48%      | -1.58%     |

3. Investment Results-Retiree Health Insurance Funds:

Average interest rates earned on the retiree health insurance trust funds for the quarter ended December 31, 2024 compared to the quarter ended September 30 2024, were as follows:

**Table 2**

| EARNED INTEREST RATES                              |                                |                     |
|----------------------------------------------------|--------------------------------|---------------------|
| For Quarter Ended 9/30/2024 Compared To 12/31/2024 |                                |                     |
| Trust Fund                                         | 1 <sup>st</sup> Qtr<br>9/30/24 | 2nd Qtr<br>12/31/24 |
| Retiree Medical Trust Fund (Misc Employees)        | 5.32%                          | 5.23%               |
| Fire Retiree Medical Trust Fund                    | 4.96%                          | 4.23%               |
| Police Retiree Medical Trust Fund                  | 4.44%                          | 3.40%               |

The rates earned on these plans are expected to continue to increase slightly, as staff used the investment authority granted by Council to purchase long-term bonds as rates move higher.

Details related to retiree health trust fund investments are in Attachment 3, Exhibits 3-A, 3-B, and 3-C of this report.

## **B. Discussion of Interest Rate Environment and Outlook**

### Yield Trend

#### Federal Reserve Board December 18, 2024 Statement

Recent indicators suggest that economic activity has continued to expand at a solid pace. Since earlier in the year, labor market conditions have generally eased, and the unemployment rate has moved up but remains low. Inflation has made progress toward the Committee's 2 percent objective but remains somewhat elevated.

The Committee seeks to achieve maximum employment and inflation at the rate of 2 percent over the longer run. The Committee judges that the risks to achieving its employment and inflation goals are roughly in balance. The economic outlook is uncertain, and the Committee is attentive to the risks to both sides of its dual mandate.

In support of its goals, the Committee decided to lower the target range for the federal funds rate by 1/4 percentage point to 4-1/4 to 4-1/2 percent. In considering the extent and timing of additional adjustments to the target range for the federal funds rate, the Committee will carefully assess incoming data, the evolving outlook, and the balance of risks. The Committee will continue to reduce its holdings of Treasury securities and agency debt and agency mortgage-backed securities. The Committee is strongly committed to supporting maximum employment and returning inflation to its 2 percent objective.

In assessing the appropriate stance of monetary policy, the Committee will continue to monitor the implications of incoming information for the economic outlook. The Committee would be prepared to adjust the stance of monetary policy as appropriate if risks emerge that could impede the attainment of the Committee's goals. The Committee's assessments will take into account a wide range of information, including readings on labor market conditions, inflation pressures and inflation expectations, and financial and international developments.

#### Investment Environment/Change in City's Investment Strategy

##### A. Investment Environment

At the time of the period covered by this investment report, the investment environment was as follows:

After the Fed had raised short-term rates from zero percent to 5.50 percent between March 17, 2022 and July 26, 2023, many market participants expected quick moves by the Fed to lower rates and avoid a recession. However, the Fed was much more cautious. The Fed had indicated that it would not start lowering rates until it was confident that the 2% target had been met and could be sustained. However, the rate has been stuck at a level of 2.6%-2.9% since May 2024, and currently at 2.8% as of February 2025. Despite

that, the Fed lowered the Federal Funds rate by .50% on September 18, 2024, by .25% on November 7, 2024, and by .25% on December 18, 2024, to a range of 4.25%-4.50%

Staff believes that the Fed was premature in making these rate cuts, and that the Fed will be slow to lower short-term rates further in CY 2025 and CY 2026, for the following reasons:

1. Strong growth in the economy as reflected in Fourth quarter 2024 Gross Domestic Product growth of 3.1%, significantly higher than the 2.3% estimate.
2. The Core Personal Consumption Expenditures (PCE) index (the Fed's favored inflation index) has moved down significantly to 2.8% in December 2024 versus the Fed's goal of 2.0%, and it has been stuck at a level of 2.6%-2.8% for eight months. Until the index moves to the 2.0% goal and stays there for a period of time, the Fed will likely refuse to lower short-term rates, especially if there is an upward monthly move in the Core PCE index in the near future;
3. The projected US CY 2025 federal budget deficit of \$1.9 trillion means the US will have to issue an additional \$1.9 trillion of bonds to fund this budget deficit. In addition, the president is threatening to raise tariffs on several countries, which will put additional upward pressure on inflation and long-term interest rates.
4. The Fed Balance Sheet of approximately \$6.7 trillion will need to continue to be unwound. Initially, the Fed was selling the securities creating the problem that they are purchased by investment banks and other financial institutions. When this happens, the banks and other financial institutions have less cash and reserves to lend money to companies and individuals and to invest themselves, thereby putting upward pressure on long-term interest rates by increasing bond supply without a corresponding increase in bond demand. The Fed has since changed the policy to allow the securities to mature, instead of selling them.

B. Significant Changes in the Investment Environment Since the Period of This Report

Throughout the campaign in 2024, the president promised the following:

- Much lower inflation
- Much lower interest rates, and
- Booming economic growth

However, in April 2025, the president implemented trade policies that will deliver much higher inflation, higher interest rates and a slowdown in the economy, all of which will impact the investment environment for the City. He has imposed tariffs on nearly every country in the world, but the one with the biggest economic impact was the 145% tariffs he has imposed on Chinese goods coming into the US. China retaliated with 125% tariffs on American goods going into China.

Entering 2025, the Fed was already reluctant to lower short-term interest rates, because, although the core personal consumption expenditures index (PCE) had declined substantially, it was still above the Fed's 2% goal and it was stuck around 2.8%. The president's tariffs will significantly increase the core PCE index, and the Fed is highly unlikely to lower short-term rates under these circumstances. At its March 19, 2025 meeting, the Fed left short-term rates unchanged because of the tariff's uncertainty. The Fed is now in a bit of a pickle with the threat of stagflation (i.e., both an economic slowdown and rising inflation at the same time). The Fed would normally cut rates to deal with a slowdown, and raise rates to counter higher inflation. With stagflation, the Fed is likely to do neither until one gets significantly worse than the other.

The Fed initially indicated that it wanted to cut short-term interest rates three to four times in 2025, until it became aware of the extent of the president's tariffs. Some Analysts are now predicting no cuts in 2025, unless the US economy goes into recession. The president's high and on-again, off-again approach to tariff policy has created chaos, high anxiety and high uncertainty in the economy for businesses and consumers, as they worry that inflation will increase significantly and that the economy is headed towards a recession, maybe a severe one. The University of Michigan's survey of consumer sentiment for April 2025 showed a reading that plummeted 11% to 50.8, the second lowest reading on records going back to 1952. "The April 2025 reading was lower than anything seen during the Great Recession. The decline was pervasive and unanimous across age, income, Education, geographic region and political affiliation, Joanne Hsu, the survey's director said in a release." Sentiment has now lost more than 30% since December 2024.

Most Analysts are now predicting that inflation will rise significantly because of the tariffs and that consumers will spend less as a result- the so called "wealth effect". The "wealth effect" is a behavioral theory suggesting that people spend more as the value of their assets rise, and vice versa. The idea is that consumers feel more financially secure and confident about their wealth when home and investment portfolios increase in value. Due to the president's tariff policies, the wealth effect will cause consumers to reduce their spending as stock prices plummet in response to the tariffs.

Also, the Administration plans to extend all of the tax cuts set to expire at the end of 2025. The Congressional Budget Office (CBO) estimates that extending them will add \$4.7 trillion to the deficits over the next 10 years or an average of \$470 billion per year. This increase in the deficit will put more upward pressure on interest rates.

In addition, over the last several days, the president has started threatening to fire the Federal Reserve Board Chairman. Market participants are viewing this as a strong challenge to the Fed's independence, and would make Fed policy subject

to the whims of politicians. This has resulted in a “sell America” trade, causing stocks, bonds and the dollar to fall. If the president is successful in ousting Powell as Chairman, it would undermine trust and faith in the US capital system and the global economy. The president’s threats will give the Fed another reason not to lower short-term interest rates.

These actions will cause the Fed to stay in a holding pattern and keep short-term interest rates where they are until there is a clearer picture of the impact of the final tariffs imposed on inflation and the economy.

### C. Change in City Investment Strategy

After the Fed changed to a looser monetary policy after July 26, 2023, the City’s investment strategy changed to extending the investment maturities of securities purchased beyond three years and locking in rates, as much as practical.

### Rates Earned by Berkeley and Other California Cities

On a short-term basis, the City’s earned rate is expected to be below the City’s benchmark (State LAIF) as long as the yield curve remains inverted.

However, the City’s return is expected to be comparable to rates earned by other cities with a similar average maturity and lower than cities with a shorter average maturity in California. A sample of rates earned by Northern and Southern California cities is reflected in table 3 below (previously only Northern California cities were included):

**Table 3**

| <b>Other California Cities<br/>Earned Interest Rates</b> |                     |
|----------------------------------------------------------|---------------------|
| For the Quarter Ending December 31, 2024                 |                     |
| <b>City</b>                                              | <b>Rates Earned</b> |
| Oakland                                                  | 4.23%               |
| San Diego                                                | 4.01%               |
| San Francisco                                            | 3.58%               |
| San Jose                                                 | 3.41%               |
| Hayward                                                  | 3.67%               |
| Burbank                                                  | 3.43%               |
| Los Angeles                                              | 3.11%               |
| <b>Berkeley</b>                                          | <b>2.90%</b>        |
| Sacramento                                               | 2.58%               |
| Palo Alto                                                | 2.46 %              |

BACKGROUND

- Pooled Investments

Short-term cash is invested primarily in government sponsored enterprises (referred to as Federal Agency securities) notes, medium-term corporate notes and municipal securities for periods of one to ten years. Additional cash is invested in a money market fund or overnight securities to meet the liquidity needs of the City.

In some cases, the City may have investments with a current market value that is greater or less than the recorded cost. These changes in market value are due to fluctuations in the market and have no effect on the City's yield, as the City does not intend to sell securities prior to maturity.

- Retiree Health Trust Fund Investments

The City agreed to provide retiree Health insurance coverage for fire, police and miscellaneous employees under certain terms and conditions. An actuarial study commissioned by the City many years ago determined that, in addition to City Contributions, an average rate of return of 7% on miscellaneous employees trust fund assets invested must be achieved to fund the retiree health benefit at the desired 70% level. Primarily as a result of the Federal Reserve Board's decision to keep short-term rates near zero from 2008 to March 2022, the average rate currently earned is significantly below that 7% level. City Finance Department staff manages these investment portfolios.

ENVIRONMENTAL SUSTAINABILITY AND CLIMATE IMPACTS

There are no identifiable environmental effects or opportunities associated with the subject of this report.

CONTACT PERSON

Henry Oyekanmi, Director, Finance Department, 981-7326

ATTACHMENTS

1. Portfolio Evaluation FY 2025 Second Quarter
2. Investment Report Analysis FY 2025 Second Quarter
  - a. Exhibit 2-A: Pooled Cash and Investments
  - b. Exhibit 2-B.1 through 2-B.3: Interest Earnings October 1, 2024 – December 31, 2024
  - c. Exhibit 2-C: Book Value By Investment Type
  - d. Exhibit 2-D: Current Holdings vs. Policy Limits
  - e. Exhibit 2-E: Investment Portfolio Trend
  - f. Exhibit 2-F: Investments Yielding 2 Percent or Less Maturing in 2026 or 2027
3. Summary of Pooled and Cash Investments FY 2025 Second Quarter –Trust Funds
  - a. Exhibit 3-A: Retiree Medical Trust Funds –Misc.

- b. Exhibit 3-B: Retiree Medical Trust Funds –Fire
- c. Exhibit 3-C: Retiree Medical Trust Funds –Police



**Portfolio Evaluation  
Quarter Ended December 31, 2024**

|                                             | QUARTER ENDING        |                       |                       |                       |                       |                |                       |                |
|---------------------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|----------------|-----------------------|----------------|
|                                             | December 2024         | September 2024        | June 2024             | March 2024            |                       |                |                       |                |
| <b>Total Portfolio</b>                      |                       |                       |                       |                       |                       |                |                       |                |
| Pooled Cash and Investments (COB)           | \$ 649,832,348        | \$ 609,358,155        | \$ 698,518,749        | \$ 664,362,679        |                       |                |                       |                |
| Pooled Cash and Investments (Trust)         | 57,695,193            | 58,122,162            | 54,549,828            | 57,831,711            |                       |                |                       |                |
| Total Cash and Investments                  | <u>\$ 707,527,541</u> | <u>\$ 667,480,317</u> | <u>\$ 753,068,577</u> | <u>\$ 722,194,390</u> |                       |                |                       |                |
| <b>Average Life of Investment Portfolio</b> |                       |                       |                       |                       |                       |                |                       |                |
| Pooled Investments (CoB)                    | 835                   | 911                   | 1,017                 | 1,099                 |                       |                |                       |                |
| Trust Investments                           | 2.791 years           | 4.077 years           | 7.204 years           | 7.401 years           |                       |                |                       |                |
| <b>Weighted Yield</b>                       |                       |                       |                       |                       |                       |                |                       |                |
| Pooled Investments (CoB)                    | 2.901%                | 3.156%                | 3.313%                | 3.131%                |                       |                |                       |                |
| Trust Investments                           | 4.285%                | 4.903%                | 5.057%                | 5.022%                |                       |                |                       |                |
| Prime Rate                                  | 7.500%                | 8.000%                | 8.500%                | 8.500%                |                       |                |                       |                |
| 91-day Treasury Bill Rate                   | 4.271%                | 4.618%                | 5.220%                | 5.368%                |                       |                |                       |                |
| 2-year Treasury Note Rate                   | 4.243%                | 3.169%                | 4.720%                | 4.628%                |                       |                |                       |                |
| <hr/>                                       |                       |                       |                       |                       |                       |                |                       |                |
| <b>Cash and Investments Maturity</b>        |                       |                       |                       |                       |                       |                |                       |                |
| Within one year                             | \$ 270,171,399        | 38.19%                | \$ 192,996,379        | 28.91%                | \$ 224,100,358        | 29.76%         | \$ 169,170,381        | 23.42%         |
| Between 1 to 3 years                        | 334,960,505           | 47.34%                | 346,026,863           | 51.84%                | 376,863,991           | 50.04%         | 370,649,554           | 51.32%         |
| Between 3 to 5 years                        | 10,530,270            | 1.49%                 | 30,946,760            | 4.64%                 | 37,564,650            | 4.99%          | 66,226,147            | 9.17%          |
| Between 5 to 10 years                       | 89,983,467            | 12.72%                | 92,995,803            | 13.93%                | 104,107,795           | 13.82%         | 105,625,485           | 14.63%         |
| Over 10 years                               | 1,881,900             | 0.27%                 | 4,514,512             | 0.68%                 | 10,431,783            | 1.39%          | 10,522,824            | 1.46%          |
| Total                                       | <u>\$ 707,527,541</u> | <u>100.00%</u>        | <u>\$ 667,480,317</u> | <u>100.00%</u>        | <u>\$ 753,068,577</u> | <u>100.00%</u> | <u>\$ 722,194,391</u> | <u>100.00%</u> |



**Investment Report Analysis  
As of December 31, 2024**

| <b>Investments</b>       | <b>Pooled Investments</b> | <b>Pension and OPEB</b>  |                |
|--------------------------|---------------------------|--------------------------|----------------|
|                          |                           | <b>Trust Investments</b> | <b>Total</b>   |
| Portfolio                | \$ 510,684,471            | \$ 44,592,929            | \$ 555,277,400 |
| Unrecognized gain/(loss) | (14,135,246)              | (1,728,208)              | (15,863,454)   |
| Total Investments        | 496,549,224               | 42,864,721               | 539,413,945    |

| <b>Cash</b>                     | <b>Pooled Cash</b> | <b>Pension and OPEB</b> |              |
|---------------------------------|--------------------|-------------------------|--------------|
|                                 |                    | <b>Trust Cash</b>       | <b>Total</b> |
| Cash with Fidelity Money Market | 36,307,030         | -                       | 36,307,030   |
| Cash with Fiscal Agents         | 1,978,558          | -                       | 1,978,558    |
| Cash Deposits in Banks          | 114,997,536        | 14,830,472              | 129,828,008  |
| Total Cash                      | 153,283,124        | 14,830,472              | 168,113,596  |

|                                                        |                       |                      |                       |
|--------------------------------------------------------|-----------------------|----------------------|-----------------------|
| <b>Adjusted Grand Total (All Cash and Investments)</b> | <b>\$ 649,832,348</b> | <b>\$ 57,695,193</b> | <b>\$ 707,527,541</b> |
|--------------------------------------------------------|-----------------------|----------------------|-----------------------|

**Pooled Cash Portfolio Breakdown As of December 31, 2024**

|             | <b>Book Value</b> | <b>Market Value</b> |
|-------------|-------------------|---------------------|
| Investments | \$ 510,684,471    | \$ 496,549,224      |

**NOTE:**

1. The pooled cash includes Rent Board cash \$8,849,077.24
2. The pooled cash does not include Section 115 cash of \$11,399,429.87



City of Berkeley  
Pooled Cash and Investments  
As of December 31, 2024

| CUSIP                                   | Investment # | Issuer                   | Book Value           | Par Value            | Market Value         | Current Rate | YTM/C 365    | Maturity Date | Days To Maturity | Moody's Rating |
|-----------------------------------------|--------------|--------------------------|----------------------|----------------------|----------------------|--------------|--------------|---------------|------------------|----------------|
| <b>Medium Term Notes</b>                |              |                          |                      |                      |                      |              |              |               |                  |                |
| 88579YAR2                               | 14659        | 3M COMPANY               | 4,968,604.41         | 5,000,000.00         | 4,947,800.00         | 3.000        | 4.120        | 08/07/2025    | 218              | A3             |
| 04685A2L4                               | 14590        | Athene Global Funding    | 5,950,363.12         | 5,950,000.00         | 5,944,942.50         | 2.500        | 2.320        | 01/14/2025    | 13               | A1             |
| 04685A2L4                               | 14602        | Athene Global Funding    | 4,998,753.56         | 5,000,000.00         | 4,995,750.00         | 2.500        | 3.250        | 01/14/2025    | 13               | A1             |
| 20030NBN0                               | 14563        | Comcast Corp             | 5,007,708.71         | 5,000,000.00         | 4,957,150.00         | 3.375        | 3.100        | 08/15/2025    | 226              | A3             |
| 233851CU6                               | 14571        | Daimler Finance          | 5,023,073.60         | 5,000,000.00         | 4,873,450.00         | 3.450        | 3.190        | 01/06/2027    | 735              | A2             |
| 233851CU6                               | 14574        | Daimler Finance          | 3,755,008.72         | 3,725,000.00         | 3,630,720.25         | 3.450        | 3.000        | 01/06/2027    | 735              | A2             |
| 24422EWK1                               | 14663        | John Deere Cap           | 4,987,878.51         | 5,000,000.00         | 4,951,650.00         | 4.150        | 4.250        | 09/15/2027    | 987              | A1             |
| 375558BF9                               | 14570        | Gilead Sciences          | 5,027,776.52         | 5,000,000.00         | 4,940,100.00         | 3.650        | 3.118        | 03/01/2026    | 424              | A3             |
| 30303M8G0                               | 14660        | Meta Platforms Inc       | 4,899,392.16         | 5,000,000.00         | 4,887,900.00         | 3.500        | 4.360        | 08/15/2027    | 956              | AA3            |
| 617446HD4                               | 14670        | Morgan Stanley           | 10,684,383.22        | 10,000,000.00        | 11,235,400.00        | 7.250        | 6.000        | 04/01/2032    | 2,647            | A1             |
| 747525AU7                               | 14587        | Qualcomm Inc             | 6,068,476.10         | 5,963,000.00         | 5,799,673.43         | 3.250        | 2.435        | 05/20/2027    | 869              | A2             |
| 07330MAA5                               | 14588        | Truist Bank              | 5,120,626.47         | 5,000,000.00         | 4,905,800.00         | 3.800        | 2.365        | 10/30/2026    | 667              | A3             |
| <b>Subtotal and Average</b>             |              |                          | <b>66,492,045.10</b> | <b>65,638,000.00</b> | <b>66,070,336.18</b> |              | <b>3.648</b> |               | <b>865</b>       |                |
| <b>Federal Agency Coupon Securities</b> |              |                          |                      |                      |                      |              |              |               |                  |                |
| 3133ENN22                               | 14664        | Federal Farm Credit Bank | 4,995,253.32         | 5,000,000.00         | 4,978,500.00         | 3.750        | 3.890        | 09/22/2025    | 264              | AAA            |
| 3133ENP95                               | 14666        | Federal Farm Credit Bank | 4,994,803.24         | 5,000,000.00         | 4,998,750.00         | 4.250        | 4.400        | 09/30/2025    | 272              | AAA            |
| 3133ENS50                               | 14667        | Federal Farm Credit Bank | 4,999,568.15         | 5,000,000.00         | 4,972,250.00         | 4.125        | 4.128        | 10/14/2027    | 1016             | AAA            |
| 3133ENN30                               | 14668        | Federal Farm Credit Bank | 4,699,851.10         | 5,000,000.00         | 4,749,250.00         | 3.875        | 4.863        | 09/20/2032    | 2819             | AAA            |
| 3133ENV72                               | 14669        | Federal Farm Credit Bank | 4,992,964.76         | 5,000,000.00         | 5,017,300.00         | 4.500        | 4.600        | 07/27/2026    | 572              | AAA            |
| 3133EPGG4                               | 14686        | Federal Farm Credit Bank | 4,965,443.84         | 5,000,000.00         | 4,747,900.00         | 4.000        | 4.102        | 04/20/2033    | 3031             | AAA            |
| 3133EPGS8                               | 14687        | Federal Farm Credit Bank | 4,998,734.38         | 5,000,000.00         | 5,000,100.00         | 4.250        | 4.300        | 07/24/2025    | 204              | AAA            |
| 3133EPPE9                               | 14689        | Federal Farm Credit Bank | 4,988,443.98         | 5,000,000.00         | 5,006,200.00         | 4.375        | 4.540        | 07/06/2026    | 551              | AAA            |
| 3133EPPF6                               | 14690        | Federal Farm Credit Bank | 4,965,532.28         | 5,000,000.00         | 4,943,850.00         | 4.125        | 4.300        | 07/05/2029    | 1646             | AAA            |
| <b>Subtotal and Average</b>             |              |                          | <b>44,600,595.05</b> | <b>45,000,000.00</b> | <b>44,414,100.00</b> |              | <b>4.344</b> |               | <b>1,140</b>     |                |
| <b>Medium-Term Notes - Callable</b>     |              |                          |                      |                      |                      |              |              |               |                  |                |
| 22553PWD7                               | 14652        | Credit Suisse AG         | 5,000,000.00         | 5,000,000.00         | 4,956,500.00         | 4.050        | 4.050        | 05/25/2025    | 144              | AA2            |
| 22553PXJ3                               | 14655        | Credit Suisse AG         | 5,000,000.00         | 5,000,000.00         | 4,734,800.00         | 5.000        | 5.001        | 05/31/2032    | 2,707            | AA2            |
| 751212AC5                               | 14566        | Ralph Lauren             | 5,020,171.57         | 5,000,000.00         | 4,961,100.00         | 3.750        | 3.106        | 09/15/2025    | 257              | A3             |
| 857477CD3                               | 14698        | State Street Corp.       | 4,000,000.00         | 4,000,000.00         | 4,039,560.00         | 5.272        | 5.272        | 08/03/2026    | 579              | AA3            |
| 91159HHU7                               | 14562        | US Bancorp               | 5,037,124.71         | 5,000,000.00         | 4,978,200.00         | 3.950        | 2.848        | 11/17/2025    | 320              | A3             |
| 91159HHM5                               | 14684        | US Bancorp               | 4,865,155.07         | 5,000,000.00         | 4,892,800.00         | 3.100        | 5.348        | 04/27/2026    | 481              | A3             |
| 91159HHW3                               | 14693        | US Bancorp               | 4,394,773.86         | 5,000,000.00         | 4,581,750.00         | 3.000        | 6.212        | 07/30/2029    | 1,671            | A3             |
| <b>Subtotal and Average</b>             |              |                          | <b>33,317,225.21</b> | <b>34,000,000.00</b> | <b>33,144,710.00</b> |              | <b>4.490</b> |               | <b>875</b>       |                |
| <b>Federal Agency Callable</b>          |              |                          |                      |                      |                      |              |              |               |                  |                |
| 3133EN6K1                               | 14676        | Federal Farm Credit Bank | 5,000,000.00         | 5,000,000.00         | 4,906,350.00         | 4.220        | 4.220        | 01/23/2030    | 1,848            | AAA            |
| 3133EN6K1                               | 14677        | Federal Farm Credit Bank | 5,000,000.00         | 5,000,000.00         | 4,906,350.00         | 4.220        | 4.220        | 01/23/2030    | 1,848            | AAA            |
| 3133EPAJ4                               | 14679        | Federal Farm Credit Bank | 5,000,000.00         | 5,000,000.00         | 4,720,650.00         | 4.000        | 4.000        | 02/09/2033    | 2,961            | AAA            |
| 3130AULM4                               | 14678        | Federal Home Loan Banks  | 5,000,000.00         | 5,000,000.00         | 4,993,450.00         | 5.620        | 5.620        | 01/26/2033    | 2,947            | AAA            |
|                                         |              |                          | <b>20,000,000.00</b> | <b>20,000,000.00</b> | <b>19,526,800.00</b> |              | <b>4.515</b> |               | <b>2,401</b>     |                |



City of Berkeley  
Pooled Cash and Investments  
As of December 31, 2024

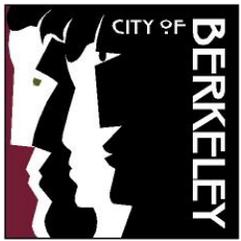
| CUSIP                                              | Investment # | Issuer                        | Book Value            | Par Value             | Market Value          | Current Rate | YTM/C 365    | Maturity Date | Days To Maturity | Moody's Rating |
|----------------------------------------------------|--------------|-------------------------------|-----------------------|-----------------------|-----------------------|--------------|--------------|---------------|------------------|----------------|
| <b>Federal Agency Continuously Callable</b>        |              |                               |                       |                       |                       |              |              |               |                  |                |
| 31422XJW3                                          | 14638        | Farmer Mac                    | 10,000,000.00         | 10,000,000.00         | 9,583,900.00          | 1.500        | 0.300        | 07/20/2026    | 565              | N/A            |
| 3133ENUV0                                          | 14644        | Federal Farm Credit Bank      | 5,000,000.00          | 5,000,000.00          | 4,706,650.00          | 4.000        | 4.000        | 04/19/2032    | 2,665            | AAA            |
| 3133ENVV9                                          | 14647        | Federal Farm Credit Bank      | 5,000,000.00          | 5,000,000.00          | 4,905,750.00          | 3.630        | 3.630        | 05/03/2027    | 852              | AAA            |
| 3133ENWW6                                          | 14653        | Federal Farm Credit Bank      | 4,995,935.45          | 5,000,000.00          | 4,786,000.00          | 4.370        | 4.384        | 05/17/2032    | 2,693            | AAA            |
| 3133EPEK7                                          | 14682        | Federal Farm Credit Bank      | 5,000,000.00          | 5,000,000.00          | 4,973,900.00          | 4.620        | 4.620        | 04/03/2025    | 92               | AAA            |
| 3133EPQT5                                          | 14695        | Federal Farm Credit Bank      | 5,000,000.00          | 5,000,000.00          | 4,991,550.00          | 5.650        | 5.292        | 07/25/2033    | 3,127            | AAA            |
| 3130AMAV4                                          | 14611        | Federal Home Loan Banks       | 5,600,000.00          | 5,600,000.00          | 5,236,336.00          | 1.250        | 1.125        | 04/29/2027    | 848              | AAA            |
| 3130ALZA5                                          | 14612        | Federal Home Loan Banks       | 9,000,000.00          | 9,000,000.00          | 8,813,700.00          | 2.000        | 0.500        | 04/29/2026    | 483              | AAA            |
| 3130AMEX6                                          | 14613        | Federal Home Loan Banks       | 15,000,000.00         | 15,000,000.00         | 14,578,050.00         | 1.750        | 0.798        | 05/27/2026    | 511              | AAA            |
| 3130AMF72                                          | 14615        | Federal Home Loan Banks       | 15,000,000.00         | 15,000,000.00         | 14,386,200.00         | 1.300        | 1.040        | 05/27/2026    | 511              | AAA            |
| 3130AMFQ0                                          | 14616        | Federal Home Loan Banks       | 15,000,000.00         | 15,000,000.00         | 14,357,250.00         | 1.150        | 1.020        | 05/26/2026    | 510              | AAA            |
| 3130AMFT4                                          | 14617        | Federal Home Loan Banks       | 10,000,000.00         | 10,000,000.00         | 9,584,100.00          | 1.250        | 1.000        | 05/27/2026    | 511              | AAA            |
| 3130AMG22                                          | 14618        | Federal Home Loan Banks       | 20,000,000.00         | 20,000,000.00         | 19,299,600.00         | 1.500        | 0.500        | 05/27/2026    | 511              | AAA            |
| 3130AMGG1                                          | 14619        | Federal Home Loan Banks       | 10,000,000.00         | 10,000,000.00         | 9,685,700.00          | 2.000        | 1.160        | 05/26/2026    | 510              | AAA            |
| 3130AMFN7                                          | 14620        | Federal Home Loan Banks       | 10,000,000.00         | 10,000,000.00         | 9,685,700.00          | 2.000        | 1.175        | 05/26/2026    | 510              | AAA            |
| 3130AMG55                                          | 14622        | Federal Home Loan Banks       | 10,000,000.00         | 10,000,000.00         | 9,338,800.00          | 1.375        | 1.219        | 05/27/2027    | 876              | AAA            |
| 3130AMG22                                          | 14624        | Federal Home Loan Banks       | 10,000,000.00         | 10,000,000.00         | 9,649,800.00          | 1.500        | 0.500        | 05/27/2026    | 511              | AAA            |
| 3130AMLS9                                          | 14627        | Federal Home Loan Banks       | 10,000,000.00         | 10,000,000.00         | 9,691,600.00          | 1.500        | 1.070        | 06/17/2026    | 532              | AAA            |
| 3130AMN24                                          | 14628        | Federal Home Loan Banks       | 10,000,000.00         | 10,000,000.00         | 9,563,000.00          | 1.150        | 1.034        | 06/03/2026    | 518              | AAA            |
| 3130AMN57                                          | 14629        | Federal Home Loan Banks       | 20,000,000.00         | 20,000,000.00         | 19,117,000.00         | 1.100        | 1.013        | 06/03/2026    | 518              | AAA            |
| 3130AMP71                                          | 14630        | Federal Home Loan Banks       | 20,000,000.00         | 20,000,000.00         | 19,114,000.00         | 1.200        | 1.077        | 06/18/2026    | 533              | AAA            |
| 3130AMPL0                                          | 14631        | Federal Home Loan Banks       | 15,000,000.00         | 15,000,000.00         | 14,337,900.00         | 1.150        | 0.375        | 06/08/2026    | 523              | AAA            |
| 3130AMMW9                                          | 14632        | Federal Home Loan Banks       | 10,000,000.00         | 10,000,000.00         | 9,607,600.00          | 1.500        | 0.500        | 06/10/2026    | 525              | AAA            |
| 3130AMWMO                                          | 14634        | Federal Home Loan Banks       | 4,250,000.00          | 4,250,000.00          | 4,049,315.00          | 1.050        | 0.500        | 06/30/2026    | 545              | AAA            |
| 3130AN5U0                                          | 14642        | Federal Home Loan Banks       | 10,000,000.00         | 10,000,000.00         | 9,612,200.00          | 1.750        | 0.500        | 07/29/2026    | 574              | AAA            |
| 3130ANJY7                                          | 14643        | Federal Home Loan Banks       | 40,000,000.00         | 40,000,000.00         | 37,899,200.00         | 1.000        | 0.400        | 08/26/2026    | 602              | AAA            |
| 3130ARTE1                                          | 14645        | Federal Home Loan Banks       | 6,425,000.00          | 6,425,000.00          | 6,103,557.25          | 4.100        | 4.100        | 04/26/2032    | 2,672            | AAA            |
| 3130ARX71                                          | 14648        | Federal Home Loan Banks       | 5,000,000.00          | 5,000,000.00          | 4,974,300.00          | 3.000        | 3.000        | 05/23/2025    | 142              | AAA            |
| 3130ARYA3                                          | 14651        | Federal Home Loan Banks       | 5,000,000.00          | 5,000,000.00          | 4,946,400.00          | 4.000        | 4.000        | 05/26/2027    | 875              | AAA            |
| 3130AS7K9                                          | 14654        | Federal Home Loan Banks       | 5,000,000.00          | 5,000,000.00          | 4,857,150.00          | 4.440        | 4.440        | 05/26/2032    | 2,702            | AAA            |
| 3130ASGF0                                          | 14656        | Federal Home Loan Banks       | 5,000,000.00          | 5,000,000.00          | 4,992,150.00          | 4.000        | 4.348        | 06/30/2025    | 180              | AAA            |
| 3134GXRS5                                          | 14646        | Federal Home Loan Mortgage Co | 5,000,000.00          | 5,000,000.00          | 4,977,750.00          | 3.100        | 3.100        | 04/29/2025    | 118              | AAA            |
| 3134GXC28                                          | 14657        | Federal Home Loan Mortgage Co | 5,000,000.00          | 5,000,000.00          | 4,994,750.00          | 4.100        | 4.100        | 07/18/2025    | 198              | AAA            |
|                                                    |              |                               | <b>340,270,935.45</b> | <b>340,275,000.00</b> | <b>327,400,858.25</b> |              | <b>1.366</b> |               | <b>703</b>       |                |
| <b>Medium Term Notes Continuous Callable Bonds</b> |              |                               |                       |                       |                       |              |              |               |                  |                |
| 06051GLG2                                          | 14688        | Bank of America Corporation   | 1,000,000.00          | 1,000,000.00          | 1,004,670.00          | 5.202        | 5.202        | 04/25/2029    | 1,575            | A1             |
|                                                    |              | <b>Subtotal and Average</b>   | <b>1,000,000.00</b>   | <b>1,000,000.00</b>   | <b>1,004,670.00</b>   |              | <b>5.202</b> |               | <b>1,575</b>     |                |



City of Berkeley  
 Pooled Cash and Investments  
 As of December 31, 2024

| CUSIP                                | Investment # | Issuer                       | Book Value            | Par Value             | Market Value          | Current Rate | YTM/C 365    | Maturity Date | Days To Maturity | Moody's Rating |
|--------------------------------------|--------------|------------------------------|-----------------------|-----------------------|-----------------------|--------------|--------------|---------------|------------------|----------------|
| <b>Municipal Bonds</b>               |              |                              |                       |                       |                       |              |              |               |                  |                |
| 13063DGB8                            | 14559        | General Obligation Unlimited | 5,003,670.04          | 5,000,000.00          | 4,987,750.00          | 3.375        | 3.087        | 04/01/2025    | 90               | AA2            |
| <b>Subtotal and Average</b>          |              |                              | <b>5,003,670.04</b>   | <b>5,000,000.00</b>   | <b>4,987,750.00</b>   |              | <b>3.087</b> |               | <b>90</b>        |                |
| <b>Total Investments and Average</b> |              |                              | <b>510,684,470.85</b> | <b>510,913,000.00</b> | <b>496,549,224.43</b> |              | <b>2.274</b> |               | <b>835</b>       |                |

|                                                     |                       |
|-----------------------------------------------------|-----------------------|
| Total Investments (Book Value)                      | 510,684,470.85        |
| Cash                                                | 153,283,124.00        |
| Total Investments (Book Value) and Cash             | 663,967,594.85        |
| Increase / (Decrease) in Market Value of Securities | (14,135,246.42)       |
| Total Investments (Market Value) and Cash           | <u>649,832,348.43</u> |



**Pooled Investments Selected Funds  
Interest Earnings  
Sorted by Fund - Fund  
October 1, 2024 - October 31, 2024  
Yield on Average Book Value**

| CUSIP                                      | Investment # | Fund | Security Type | Ending Par Value | Beginning Book Value | Average Book Value | Maturity Date | Current Rate | Annualized Yield | Adjusted Interest Earnings |                         |                            |
|--------------------------------------------|--------------|------|---------------|------------------|----------------------|--------------------|---------------|--------------|------------------|----------------------------|-------------------------|----------------------------|
|                                            |              |      |               |                  |                      |                    |               |              |                  | Interest Earned            | Amortization/ Accretion | Adjusted Interest Earnings |
| <b>Fund: Pooled Investment - Long Term</b> |              |      |               |                  |                      |                    |               |              |                  |                            |                         |                            |
| 3130AMWMO                                  | 14634        | 010  | MC5           | 4,250,000.00     | 4,250,000.00         | 4,250,000.00       | 06/30/2026    | 1.050        | 1.030            | 3,718.75                   | 0.00                    | 3,718.75                   |
| 3130AMPL0                                  | 14631        | 010  | MC5           | 15,000,000.00    | 15,000,000.00        | 15,000,000.00      | 06/08/2026    | 1.150        | 1.128            | 14,375.00                  | 0.00                    | 14,375.00                  |
| 3130AMP71                                  | 14630        | 010  | MC5           | 20,000,000.00    | 20,000,000.00        | 20,000,000.00      | 06/18/2026    | 1.200        | 1.177            | 20,000.00                  | 0.00                    | 20,000.00                  |
| 3130AMMW9                                  | 14632        | 010  | MC5           | 10,000,000.00    | 10,000,000.00        | 10,000,000.00      | 06/10/2026    | 1.500        | 1.472            | 12,500.00                  | 0.00                    | 12,500.00                  |
| 3130AN5U0                                  | 14642        | 010  | MC5           | 10,000,000.00    | 10,000,000.00        | 10,000,000.00      | 07/29/2026    | 1.750        | 1.717            | 14,583.33                  | 0.00                    | 14,583.33                  |
| 3130ANJY7                                  | 14643        | 010  | MC5           | 40,000,000.00    | 40,000,000.00        | 40,000,000.00      | 08/26/2026    | 1.000        | 0.981            | 33,333.33                  | 0.00                    | 33,333.33                  |
| 3130ARYA3                                  | 14651        | 010  | MC5           | 5,000,000.00     | 5,000,000.00         | 5,000,000.00       | 05/26/2027    | 4.000        | 3.925            | 16,666.67                  | 0.00                    | 16,666.67                  |
| 3130ARXL0                                  | 14649        | 010  | MC4           | 5,000,000.00     | 5,000,000.00         | 5,000,000.00       | 11/25/2024    | 3.000        | 2.944            | 12,500.00                  | 0.00                    | 12,500.00                  |
| 3130ARTE1                                  | 14645        | 010  | MC5           | 6,425,000.00     | 6,425,000.00         | 6,425,000.00       | 04/26/2032    | 4.100        | 4.023            | 21,952.08                  | 0.00                    | 21,952.08                  |
| 3130ARX71                                  | 14648        | 010  | MC5           | 5,000,000.00     | 5,000,000.00         | 5,000,000.00       | 05/23/2025    | 3.000        | 2.944            | 12,500.00                  | 0.00                    | 12,500.00                  |
| 3130AMN57                                  | 14629        | 010  | MC5           | 20,000,000.00    | 20,000,000.00        | 20,000,000.00      | 06/03/2026    | 1.100        | 1.079            | 18,333.33                  | 0.00                    | 18,333.33                  |
| 3130AMN24                                  | 14628        | 010  | MC5           | 10,000,000.00    | 10,000,000.00        | 10,000,000.00      | 06/03/2026    | 1.150        | 1.128            | 9,583.34                   | 0.00                    | 9,583.34                   |
| 3130ALZA5                                  | 14612        | 010  | MC5           | 9,000,000.00     | 9,000,000.00         | 9,000,000.00       | 04/29/2026    | 2.000        | 1.962            | 15,000.00                  | 0.00                    | 15,000.00                  |
| 3130AMAV4                                  | 14611        | 010  | MC5           | 5,600,000.00     | 5,600,000.00         | 5,600,000.00       | 04/29/2027    | 1.250        | 1.226            | 5,833.33                   | 0.00                    | 5,833.33                   |
| 3130AMEX6                                  | 14613        | 010  | MC5           | 15,000,000.00    | 15,000,000.00        | 15,000,000.00      | 05/27/2026    | 1.750        | 1.717            | 21,875.00                  | 0.00                    | 21,875.00                  |
| 3130AMFQ0                                  | 14616        | 010  | MC5           | 15,000,000.00    | 15,000,000.00        | 15,000,000.00      | 05/26/2026    | 1.150        | 1.128            | 14,375.00                  | 0.00                    | 14,375.00                  |
| 3130AMF72                                  | 14615        | 010  | MC5           | 15,000,000.00    | 15,000,000.00        | 15,000,000.00      | 05/27/2026    | 1.300        | 1.276            | 16,250.00                  | 0.00                    | 16,250.00                  |
| 3130AMG22                                  | 14624        | 010  | MC5           | 10,000,000.00    | 10,000,000.00        | 10,000,000.00      | 05/27/2026    | 1.250        | 1.472            | 12,500.00                  | 0.00                    | 12,500.00                  |
| 3130AMLS9                                  | 14627        | 010  | MC5           | 10,000,000.00    | 10,000,000.00        | 10,000,000.00      | 06/17/2026    | 1.300        | 1.276            | 10,833.33                  | 0.00                    | 10,833.33                  |
| 3130AMG55                                  | 14622        | 010  | MC5           | 10,000,000.00    | 10,000,000.00        | 10,000,000.00      | 05/27/2027    | 1.375        | 1.349            | 11,458.33                  | 0.00                    | 11,458.33                  |
| 3130AMGG1                                  | 14619        | 010  | MC5           | 10,000,000.00    | 10,000,000.00        | 10,000,000.00      | 05/26/2026    | 2.000        | 1.962            | 16,666.67                  | 0.00                    | 16,666.67                  |
| 3130AMFN7                                  | 14620        | 010  | MC5           | 10,000,000.00    | 10,000,000.00        | 10,000,000.00      | 05/26/2026    | 2.000        | 1.962            | 16,666.67                  | 0.00                    | 16,666.67                  |
| 3130AMFT4                                  | 14617        | 010  | MC5           | 10,000,000.00    | 10,000,000.00        | 10,000,000.00      | 05/27/2026    | 1.250        | 1.226            | 10,416.66                  | 0.00                    | 10,416.66                  |
| 3130AMG22                                  | 14618        | 010  | MC5           | 20,000,000.00    | 20,000,000.00        | 20,000,000.00      | 05/27/2026    | 1.250        | 1.226            | 20,833.33                  | 0.00                    | 20,833.33                  |
| 3130AS7K9                                  | 14654        | 010  | MC5           | 5,000,000.00     | 5,000,000.00         | 5,000,000.00       | 05/26/2032    | 4.440        | 4.356            | 18,500.00                  | 0.00                    | 18,500.00                  |
| 3130ASGF0                                  | 14656        | 010  | MC5           | 5,000,000.00     | 5,000,000.00         | 5,000,000.00       | 06/30/2025    | 4.000        | 3.925            | 16,666.66                  | 0.00                    | 16,666.66                  |
| 3130AXDU9                                  | 14700        | 010  | MC4           | 0.00             | 4,961,268.08         | 2,720,826.60       | 10/18/2028    | 5.000        | 5.304            | 11,805.56                  | 451.92                  | 12,257.48                  |
| 3130AULM4                                  | 14678        | 010  | MC4           | 5,000,000.00     | 5,000,000.00         | 5,000,000.00       | 01/26/2033    | 5.620        | 5.514            | 23,416.67                  | 0.00                    | 23,416.67                  |
| 3133EPGS8                                  | 14687        | 010  | FAC           | 5,000,000.00     | 4,998,173.27         | 4,998,272.82       | 07/24/2025    | 4.250        | 4.216            | 17,708.33                  | 187.04                  | 17,895.37                  |
| 3133EPPE9                                  | 14689        | 010  | FAC           | 5,000,000.00     | 4,986,535.65         | 4,986,874.22       | 07/06/2026    | 4.375        | 4.454            | 18,229.16                  | 636.11                  | 18,865.27                  |
| 3133EPGG4                                  | 14686        | 010  | FAC           | 5,000,000.00     | 4,964,403.34         | 4,964,587.94       | 04/20/2033    | 4.000        | 4.035            | 16,666.67                  | 346.83                  | 17,013.50                  |
| 3133EPPF6                                  | 14690        | 010  | FAC           | 5,000,000.00     | 4,963,622.13         | 4,963,961.03       | 07/05/2029    | 4.125        | 4.228            | 17,187.50                  | 636.72                  | 17,824.22                  |

**Interest Earnings**

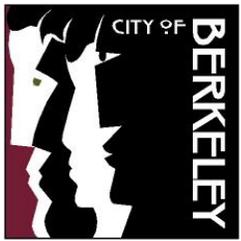
**October 1, 2024 - October 31, 2024**

| CUSIP                                      | Investment # | Fund | Security Type | Ending Par Value | Beginning Book Value | Average Book Value | Maturity Date | Current Rate | Annualized Yield | Adjusted Interest Earnings |                         |                            |
|--------------------------------------------|--------------|------|---------------|------------------|----------------------|--------------------|---------------|--------------|------------------|----------------------------|-------------------------|----------------------------|
|                                            |              |      |               |                  |                      |                    |               |              |                  | Interest Earned            | Amortization/ Accretion | Adjusted Interest Earnings |
| <b>Fund: Pooled Investment - Long Term</b> |              |      |               |                  |                      |                    |               |              |                  |                            |                         |                            |
| 3133EPQT5                                  | 14695        | 010  | MC5           | 5,000,000.00     | 5,000,000.00         | 5,000,000.00       | 07/25/2033    | 5.650        | 5.544            | 23,541.66                  | 0.00                    | 23,541.66                  |
| 3133ENWW6                                  | 14653        | 010  | MC5           | 5,000,000.00     | 4,995,797.72         | 4,995,822.15       | 05/17/2032    | 4.370        | 4.302            | 18,208.33                  | 45.91                   | 18,254.24                  |
| 3133EPEK7                                  | 14682        | 010  | MC5           | 5,000,000.00     | 5,000,000.00         | 5,000,000.00       | 04/03/2025    | 4.620        | 4.533            | 19,250.00                  | 0.00                    | 19,250.00                  |
| 3133ENN22                                  | 14664        | 010  | FAC           | 5,000,000.00     | 4,993,616.53         | 4,993,906.93       | 09/22/2025    | 3.750        | 3.813            | 15,625.00                  | 545.59                  | 16,170.59                  |
| 3133ENV72                                  | 14669        | 010  | FAC           | 5,000,000.00     | 4,991,846.09         | 4,992,044.56       | 07/27/2026    | 4.500        | 4.510            | 18,750.00                  | 372.89                  | 19,122.89                  |
| 3133ENN30                                  | 14668        | 010  | FAC           | 5,000,000.00     | 4,690,130.56         | 4,691,855.17       | 09/20/2032    | 3.875        | 4.865            | 16,145.83                  | 3,240.18                | 19,386.01                  |
| 3133ENUV0                                  | 14644        | 010  | MC5           | 5,000,000.00     | 5,000,000.00         | 5,000,000.00       | 04/19/2032    | 4.000        | 3.925            | 16,666.67                  | 0.00                    | 16,666.67                  |
| 3133EN6K1                                  | 14676        | 010  | MC4           | 5,000,000.00     | 5,000,000.00         | 5,000,000.00       | 01/23/2030    | 4.220        | 4.141            | 17,583.33                  | 0.00                    | 17,583.33                  |
| 3133ENP95                                  | 14666        | 010  | FAC           | 5,000,000.00     | 4,993,064.55         | 4,993,372.40       | 09/30/2025    | 4.250        | 4.312            | 17,708.33                  | 579.56                  | 18,287.89                  |
| 3133ENS50                                  | 14667        | 010  | FAC           | 5,000,000.00     | 4,999,529.40         | 4,999,536.28       | 10/14/2027    | 4.125        | 4.051            | 17,187.50                  | 12.92                   | 17,200.42                  |
| 3133EPAJ4                                  | 14679        | 010  | MC4           | 5,000,000.00     | 5,000,000.00         | 5,000,000.00       | 02/09/2033    | 4.000        | 3.925            | 16,666.67                  | 0.00                    | 16,666.67                  |
| 3133EN6K1                                  | 14677        | 010  | MC4           | 5,000,000.00     | 5,000,000.00         | 5,000,000.00       | 01/23/2030    | 4.220        | 4.141            | 17,583.33                  | 0.00                    | 17,583.33                  |
| 3133ENVV9                                  | 14647        | 010  | MC5           | 5,000,000.00     | 5,000,000.00         | 5,000,000.00       | 05/03/2027    | 3.630        | 3.562            | 15,125.00                  | 0.00                    | 15,125.00                  |
| 3134GXC28                                  | 14657        | 010  | MC5           | 5,000,000.00     | 5,000,000.00         | 5,000,000.00       | 07/18/2025    | 4.100        | 4.023            | 17,083.34                  | 0.00                    | 17,083.34                  |
| 3134GXRS5                                  | 14646        | 010  | MC5           | 5,000,000.00     | 5,000,000.00         | 5,000,000.00       | 04/29/2025    | 3.100        | 3.042            | 12,916.67                  | 0.00                    | 12,916.67                  |
| 3134GXC36                                  | 14658        | 010  | MC5           | 5,000,000.00     | 5,000,000.00         | 5,000,000.00       | 12/30/2024    | 4.000        | 3.925            | 16,666.66                  | 0.00                    | 16,666.66                  |
| 3134GYPL0                                  | 14685        | 010  | MC5           | 5,000,000.00     | 5,000,000.00         | 5,000,000.00       | 05/01/2028    | 5.250        | 5.151            | 21,875.00                  | 0.00                    | 21,875.00                  |
| 617446HD4                                  | 14670        | 010  | MTN           | 10,000,000.00    | 10,707,982.64        | 10,703,795.64      | 04/01/2032    | 7.250        | 5.781            | 60,416.67                  | -7,866.48               | 52,550.19                  |
| 06051GLG2                                  | 14688        | 010  | MC6           | 1,000,000.00     | 1,000,000.00         | 1,000,000.00       | 04/25/2029    | 5.202        | 5.104            | 4,335.00                   | 0.00                    | 4,335.00                   |
| 31422XJW3                                  | 14638        | 010  | MC5           | 10,000,000.00    | 10,000,000.00        | 10,000,000.00      | 07/20/2026    | 1.500        | 1.472            | 12,500.00                  | 0.00                    | 12,500.00                  |
| 24422EWWK1                                 | 14663        | 010  | MTN           | 5,000,000.00     | 4,986,758.46         | 4,986,957.18       | 09/15/2027    | 4.150        | 4.171            | 17,291.67                  | 373.35                  | 17,665.02                  |
| 13063DGB8                                  | 14559        | 010  | MUN           | 5,000,000.00     | 5,007,340.08         | 5,006,688.94       | 04/01/2025    | 3.375        | 3.019            | 14,062.50                  | -1,223.35               | 12,839.15                  |
| 91159HHU7                                  | 14562        | 010  | MC3           | 5,000,000.00     | 5,047,698.21         | 5,045,822.26       | 11/17/2025    | 3.950        | 3.018            | 16,458.33                  | -3,524.50               | 12,933.83                  |
| 91159HHM5                                  | 14684        | 010  | MC3           | 5,000,000.00     | 4,839,659.18         | 4,844,182.64       | 04/27/2026    | 3.100        | 5.205            | 12,916.66                  | 8,498.63                | 21,415.29                  |
| 91159HHW3                                  | 14693        | 010  | MC3           | 5,000,000.00     | 4,361,741.51         | 4,367,590.25       | 07/30/2029    | 3.000        | 6.338            | 12,500.00                  | 11,010.78               | 23,510.78                  |
| 20030NBN0                                  | 14563        | 010  | MTN           | 5,000,000.00     | 5,010,805.95         | 5,010,256.44       | 08/15/2025    | 3.375        | 3.062            | 14,062.50                  | -1,032.41               | 13,030.09                  |
| 747525AU7                                  | 14587        | 010  | MTN           | 5,963,000.00     | 6,079,527.15         | 6,077,566.48       | 05/20/2027    | 3.250        | 2.415            | 16,149.79                  | -3,683.68               | 12,466.11                  |
| 751212AC5                                  | 14566        | 010  | MC3           | 5,000,000.00     | 5,027,318.97         | 5,026,050.88       | 09/15/2025    | 3.750        | 3.102            | 15,625.00                  | -2,382.47               | 13,242.53                  |
| 375558BF9                                  | 14570        | 010  | MTN           | 5,000,000.00     | 5,033,728.63         | 5,032,672.61       | 03/01/2026    | 3.650        | 3.094            | 15,208.34                  | -1,984.04               | 13,224.30                  |
| 233851CU6                                  | 14571        | 010  | MTN           | 5,000,000.00     | 5,025,937.91         | 5,025,429.73       | 01/06/2027    | 3.450        | 3.144            | 14,375.00                  | -954.77                 | 13,420.23                  |
| 233851CU6                                  | 14574        | 010  | MTN           | 3,725,000.00     | 3,758,733.94         | 3,758,073.01       | 01/06/2027    | 3.450        | 2.966            | 10,709.37                  | -1,241.74               | 9,467.63                   |
| 07330MAA5                                  | 14588        | 010  | MTN           | 5,000,000.00     | 5,137,100.50         | 5,134,183.59       | 10/30/2026    | 3.800        | 2.372            | 15,833.34                  | -5,491.35               | 10,341.99                  |
| 04685A2L4                                  | 14590        | 010  | MTN           | 5,950,000.00     | 5,952,877.01         | 5,952,431.00       | 01/14/2025    | 2.500        | 2.286            | 12,395.84                  | -837.96                 | 11,557.88                  |
| 04685A2L4                                  | 14602        | 010  | MTN           | 5,000,000.00     | 4,990,124.34         | 4,991,655.33       | 01/14/2025    | 2.500        | 3.136            | 10,416.67                  | 2,876.40                | 13,293.07                  |
| 828807CS4                                  | 14606        | 010  | MTN           | 0.00             | 5,000,000.00         | 0.00               | 10/01/2024    | 3.375        |                  | 0.00                       | 0.00                    | 0.00                       |
| 22553PXJ3                                  | 14655        | 010  | MC3           | 5,000,000.00     | 5,000,000.00         | 5,000,000.00       | 05/31/2032    | 5.000        | 4.906            | 20,833.33                  | 0.00                    | 20,833.33                  |
| 22553PWD7                                  | 14652        | 010  | MC3           | 5,000,000.00     | 5,000,000.00         | 5,000,000.00       | 05/25/2025    | 4.050        | 3.974            | 16,875.00                  | 0.00                    | 16,875.00                  |
| 88579YAR2                                  | 14659        | 010  | MTN           | 5,000,000.00     | 4,955,522.91         | 4,957,843.82       | 08/07/2025    | 3.000        | 4.004            | 12,500.00                  | 4,360.50                | 16,860.50                  |
| 30303M8G0                                  | 14660        | 010  | MTN           | 5,000,000.00     | 4,889,800.31         | 4,891,502.09       | 08/15/2027    | 3.500        | 4.280            | 14,583.33                  | 3,197.28                | 17,780.61                  |
| 857477CD3                                  | 14698        | 010  | MC3           | 4,000,000.00     | 4,000,000.00         | 4,000,000.00       | 08/03/2026    | 5.272        | 5.173            | 17,573.33                  | 0.00                    | 17,573.33                  |

**Page 18 of 32**  
**Pooled Investments Selected Funds**  
**Interest Earnings**  
**October 1, 2024 - October 31, 2024**

**Exhibit 2-B.1**

| CUSIP                                | Investment # | Fund | Security Type   | Ending Par Value      | Beginning Book Value  | Average Book Value    | Maturity Date | Current Rate | Adjusted Interest Earnings |                     |                         |                            |
|--------------------------------------|--------------|------|-----------------|-----------------------|-----------------------|-----------------------|---------------|--------------|----------------------------|---------------------|-------------------------|----------------------------|
|                                      |              |      |                 |                       |                       |                       |               |              | Annualized Yield           | Interest Earned     | Amortization/ Accretion | Adjusted Interest Earnings |
|                                      |              |      | <b>Subtotal</b> | <b>525,913,000.00</b> | <b>535,625,645.02</b> | <b>528,388,762.01</b> |               |              | <b>2.598</b>               | <b>1,159,139.69</b> | <b>7,149.86</b>         | <b>1,166,289.55</b>        |
| <b>Fund: Wells Fargo MM- Regular</b> |              |      |                 |                       |                       |                       |               |              |                            |                     |                         |                            |
| SYS14701                             | 14701        | 025  | RRP             | 43,917,155.31         | 47,102,379.88         | 55,469,786.95         |               |              | 4.762                      | 224,331.99          | 0.00                    | 224,331.99                 |
|                                      |              |      | <b>Subtotal</b> | <b>43,917,155.31</b>  | <b>47,102,379.88</b>  | <b>55,469,786.95</b>  |               |              | <b>4.762</b>               | <b>224,331.99</b>   | <b>0.00</b>             | <b>224,331.99</b>          |
| <b>Fund: Fidelity MM - Regular</b>   |              |      |                 |                       |                       |                       |               |              |                            |                     |                         |                            |
| SYS14265                             | 14265        | 040  | RRP             | 36,033,243.57         | 35,887,145.64         | 35,891,858.48         |               | 0.003        | 4.793                      | 146,097.93          | 0.00                    | 146,097.93                 |
|                                      |              |      | <b>Subtotal</b> | <b>36,033,243.57</b>  | <b>35,887,145.64</b>  | <b>35,891,858.48</b>  |               |              | <b>4.793</b>               | <b>146,097.93</b>   | <b>0.00</b>             | <b>146,097.93</b>          |
|                                      |              |      | <b>Total</b>    | <b>605,863,398.88</b> | <b>618,615,170.54</b> | <b>619,750,407.44</b> |               |              | <b>2.919</b>               | <b>1,529,569.61</b> | <b>7,149.86</b>         | <b>1,536,719.47</b>        |



**Pooled Investments Selected Funds  
Interest Earnings  
Sorted by Fund - Fund  
November 1, 2024 - November 30, 2024  
Yield on Average Book Value**

| CUSIP                                      | Investment # | Fund | Security Type | Ending Par Value | Beginning Book Value | Average Book Value | Maturity Date | Current Rate | Annualized Yield | Adjusted Interest Earnings |                         |                            |
|--------------------------------------------|--------------|------|---------------|------------------|----------------------|--------------------|---------------|--------------|------------------|----------------------------|-------------------------|----------------------------|
|                                            |              |      |               |                  |                      |                    |               |              |                  | Interest Earned            | Amortization/ Accretion | Adjusted Interest Earnings |
| <b>Fund: Pooled Investment - Long Term</b> |              |      |               |                  |                      |                    |               |              |                  |                            |                         |                            |
| 3130AMWMO                                  | 14634        | 010  | MC5           | 4,250,000.00     | 4,250,000.00         | 4,250,000.00       | 06/30/2026    | 1.050        | 1.065            | 3,718.75                   | 0.00                    | 3,718.75                   |
| 3130AMPL0                                  | 14631        | 010  | MC5           | 15,000,000.00    | 15,000,000.00        | 15,000,000.00      | 06/08/2026    | 1.150        | 1.166            | 14,375.00                  | 0.00                    | 14,375.00                  |
| 3130AMP71                                  | 14630        | 010  | MC5           | 20,000,000.00    | 20,000,000.00        | 20,000,000.00      | 06/18/2026    | 1.200        | 1.217            | 20,000.00                  | 0.00                    | 20,000.00                  |
| 3130AMMW9                                  | 14632        | 010  | MC5           | 10,000,000.00    | 10,000,000.00        | 10,000,000.00      | 06/10/2026    | 1.500        | 1.521            | 12,500.00                  | 0.00                    | 12,500.00                  |
| 3130AN5U0                                  | 14642        | 010  | MC5           | 10,000,000.00    | 10,000,000.00        | 10,000,000.00      | 07/29/2026    | 1.750        | 1.774            | 14,583.34                  | 0.00                    | 14,583.34                  |
| 3130ANJY7                                  | 14643        | 010  | MC5           | 40,000,000.00    | 40,000,000.00        | 40,000,000.00      | 08/26/2026    | 1.000        | 1.014            | 33,333.34                  | 0.00                    | 33,333.34                  |
| 3130ARYA3                                  | 14651        | 010  | MC5           | 5,000,000.00     | 5,000,000.00         | 5,000,000.00       | 05/26/2027    | 4.000        | 4.056            | 16,666.67                  | 0.00                    | 16,666.67                  |
| 3130ARXL0                                  | 14649        | 010  | MC4           | 0.00             | 5,000,000.00         | 4,000,000.00       | 11/25/2024    | 3.000        | 3.042            | 10,000.00                  | 0.00                    | 10,000.00                  |
| 3130ARTE1                                  | 14645        | 010  | MC5           | 6,425,000.00     | 6,425,000.00         | 6,425,000.00       | 04/26/2032    | 4.100        | 4.157            | 21,952.08                  | 0.00                    | 21,952.08                  |
| 3130ARX71                                  | 14648        | 010  | MC5           | 5,000,000.00     | 5,000,000.00         | 5,000,000.00       | 05/23/2025    | 3.000        | 3.042            | 12,500.00                  | 0.00                    | 12,500.00                  |
| 3130AMN57                                  | 14629        | 010  | MC5           | 20,000,000.00    | 20,000,000.00        | 20,000,000.00      | 06/03/2026    | 1.100        | 1.115            | 18,333.34                  | 0.00                    | 18,333.34                  |
| 3130AMN24                                  | 14628        | 010  | MC5           | 10,000,000.00    | 10,000,000.00        | 10,000,000.00      | 06/03/2026    | 1.150        | 1.166            | 9,583.33                   | 0.00                    | 9,583.33                   |
| 3130ALZA5                                  | 14612        | 010  | MC5           | 9,000,000.00     | 9,000,000.00         | 9,000,000.00       | 04/29/2026    | 2.000        | 2.028            | 15,000.00                  | 0.00                    | 15,000.00                  |
| 3130AMAV4                                  | 14611        | 010  | MC5           | 5,600,000.00     | 5,600,000.00         | 5,600,000.00       | 04/29/2027    | 1.250        | 1.267            | 5,833.33                   | 0.00                    | 5,833.33                   |
| 3130AMEX6                                  | 14613        | 010  | MC5           | 15,000,000.00    | 15,000,000.00        | 15,000,000.00      | 05/27/2026    | 1.750        | 1.774            | 21,875.00                  | 0.00                    | 21,875.00                  |
| 3130AMFQ0                                  | 14616        | 010  | MC5           | 15,000,000.00    | 15,000,000.00        | 15,000,000.00      | 05/26/2026    | 1.150        | 1.166            | 14,375.00                  | 0.00                    | 14,375.00                  |
| 3130AMF72                                  | 14615        | 010  | MC5           | 15,000,000.00    | 15,000,000.00        | 15,000,000.00      | 05/27/2026    | 1.300        | 1.318            | 16,250.00                  | 0.00                    | 16,250.00                  |
| 3130AMG22                                  | 14624        | 010  | MC5           | 10,000,000.00    | 10,000,000.00        | 10,000,000.00      | 05/27/2026    | 1.500        | 1.521            | 12,500.00                  | 0.00                    | 12,500.00                  |
| 3130AMLS9                                  | 14627        | 010  | MC5           | 10,000,000.00    | 10,000,000.00        | 10,000,000.00      | 06/17/2026    | 1.300        | 1.318            | 10,833.33                  | 0.00                    | 10,833.33                  |
| 3130AMG55                                  | 14622        | 010  | MC5           | 10,000,000.00    | 10,000,000.00        | 10,000,000.00      | 05/27/2027    | 1.375        | 1.394            | 11,458.34                  | 0.00                    | 11,458.34                  |
| 3130AMGG1                                  | 14619        | 010  | MC5           | 10,000,000.00    | 10,000,000.00        | 10,000,000.00      | 05/26/2026    | 2.000        | 2.028            | 16,666.67                  | 0.00                    | 16,666.67                  |
| 3130AMFN7                                  | 14620        | 010  | MC5           | 10,000,000.00    | 10,000,000.00        | 10,000,000.00      | 05/26/2026    | 2.000        | 2.028            | 16,666.67                  | 0.00                    | 16,666.67                  |
| 3130AMFT4                                  | 14617        | 010  | MC5           | 10,000,000.00    | 10,000,000.00        | 10,000,000.00      | 05/27/2026    | 1.250        | 1.267            | 10,416.67                  | 0.00                    | 10,416.67                  |
| 3130AMG22                                  | 14618        | 010  | MC5           | 20,000,000.00    | 20,000,000.00        | 20,000,000.00      | 05/27/2026    | 1.500        | 1.301            | 21,388.89                  | 0.00                    | 21,388.89                  |
| 3130AS7K9                                  | 14654        | 010  | MC5           | 5,000,000.00     | 5,000,000.00         | 5,000,000.00       | 05/26/2032    | 4.440        | 4.502            | 18,500.00                  | 0.00                    | 18,500.00                  |
| 3130ASGF0                                  | 14656        | 010  | MC5           | 5,000,000.00     | 5,000,000.00         | 5,000,000.00       | 06/30/2025    | 4.000        | 4.056            | 16,666.67                  | 0.00                    | 16,666.67                  |
| 3130AULM4                                  | 14678        | 010  | MC4           | 5,000,000.00     | 5,000,000.00         | 5,000,000.00       | 01/26/2033    | 5.620        | 5.698            | 23,416.66                  | 0.00                    | 23,416.66                  |
| 3133EPGS8                                  | 14687        | 010  | FAC           | 5,000,000.00     | 4,998,360.31         | 4,998,456.94       | 07/24/2025    | 4.250        | 4.356            | 17,708.34                  | 187.04                  | 17,895.38                  |
| 3133EPPE9                                  | 14689        | 010  | FAC           | 5,000,000.00     | 4,987,171.76         | 4,987,500.42       | 07/06/2026    | 4.375        | 4.602            | 18,229.17                  | 636.11                  | 18,865.28                  |
| 3133EPPG4                                  | 14686        | 010  | FAC           | 5,000,000.00     | 4,964,750.17         | 4,964,929.37       | 04/20/2033    | 4.000        | 4.169            | 16,666.67                  | 346.84                  | 17,013.51                  |
| 3133EPPF6                                  | 14690        | 010  | FAC           | 5,000,000.00     | 4,964,258.85         | 4,964,587.82       | 07/05/2029    | 4.125        | 4.368            | 17,187.50                  | 636.72                  | 17,824.22                  |
| 3133EPQT5                                  | 14695        | 010  | MC5           | 5,000,000.00     | 5,000,000.00         | 5,000,000.00       | 07/25/2033    | 5.650        | 5.728            | 23,541.67                  | 0.00                    | 23,541.67                  |

**Page 20 of 32**  
**Pooled Investments Selected Funds**  
**Interest Earnings**  
**November 1, 2024 - November 30, 2024**

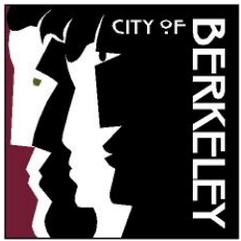
**Exhibit 2-B.2**

| CUSIP                                      | Investment # | Fund | Security Type   | Ending Par Value      | Beginning Book Value  | Average Book Value    | Maturity Date | Current Rate | Annualized Yield | Adjusted Interest Earnings |                         |                            |
|--------------------------------------------|--------------|------|-----------------|-----------------------|-----------------------|-----------------------|---------------|--------------|------------------|----------------------------|-------------------------|----------------------------|
|                                            |              |      |                 |                       |                       |                       |               |              |                  | Interest Earned            | Amortization/ Accretion | Adjusted Interest Earnings |
| <b>Fund: Pooled Investment - Long Term</b> |              |      |                 |                       |                       |                       |               |              |                  |                            |                         |                            |
| 3133ENWW6                                  | 14653        | 010  | MC5             | 5,000,000.00          | 4,995,843.63          | 4,995,867.35          | 05/17/2032    | 4.370        | 4.446            | 18,208.33                  | 45.91                   | 18,254.24                  |
| 3133EPEK7                                  | 14682        | 010  | MC5             | 5,000,000.00          | 5,000,000.00          | 5,000,000.00          | 04/03/2025    | 4.620        | 4.684            | 19,250.00                  | 0.00                    | 19,250.00                  |
| 3133ENN22                                  | 14664        | 010  | FAC             | 5,000,000.00          | 4,994,162.12          | 4,994,444.02          | 09/22/2025    | 3.750        | 3.939            | 15,625.00                  | 545.60                  | 16,170.60                  |
| 3133ENV72                                  | 14669        | 010  | FAC             | 5,000,000.00          | 4,992,218.98          | 4,992,411.64          | 07/27/2026    | 4.500        | 4.660            | 18,750.00                  | 372.89                  | 19,122.89                  |
| 3133ENN30                                  | 14668        | 010  | FAC             | 5,000,000.00          | 4,693,370.74          | 4,695,044.83          | 09/20/2032    | 3.875        | 5.024            | 16,145.84                  | 3,240.18                | 19,386.02                  |
| 3133ENUV0                                  | 14644        | 010  | MC5             | 5,000,000.00          | 5,000,000.00          | 5,000,000.00          | 04/19/2032    | 4.000        | 4.056            | 16,666.66                  | 0.00                    | 16,666.66                  |
| 3133EN6K1                                  | 14676        | 010  | MC4             | 5,000,000.00          | 5,000,000.00          | 5,000,000.00          | 01/23/2030    | 4.220        | 4.279            | 17,583.33                  | 0.00                    | 17,583.33                  |
| 3133ENP95                                  | 14666        | 010  | FAC             | 5,000,000.00          | 4,993,644.11          | 4,993,943.55          | 09/30/2025    | 4.250        | 4.455            | 17,708.33                  | 579.56                  | 18,287.89                  |
| 3133ENS50                                  | 14667        | 010  | FAC             | 5,000,000.00          | 4,999,542.32          | 4,999,548.99          | 10/14/2027    | 4.125        | 4.186            | 17,187.50                  | 12.92                   | 17,200.42                  |
| 3133EPAJ4                                  | 14679        | 010  | MC4             | 5,000,000.00          | 5,000,000.00          | 5,000,000.00          | 02/09/2033    | 4.000        | 4.056            | 16,666.66                  | 0.00                    | 16,666.66                  |
| 3133EN6K1                                  | 14677        | 010  | MC4             | 5,000,000.00          | 5,000,000.00          | 5,000,000.00          | 01/23/2030    | 4.220        | 4.279            | 17,583.33                  | 0.00                    | 17,583.33                  |
| 3133ENVV9                                  | 14647        | 010  | MC5             | 5,000,000.00          | 5,000,000.00          | 5,000,000.00          | 05/03/2027    | 3.630        | 3.680            | 15,125.00                  | 0.00                    | 15,125.00                  |
| 3134GXC28                                  | 14657        | 010  | MC5             | 5,000,000.00          | 5,000,000.00          | 5,000,000.00          | 07/18/2025    | 4.100        | 4.157            | 17,083.33                  | 0.00                    | 17,083.33                  |
| 3134GXRS5                                  | 14646        | 010  | MC5             | 5,000,000.00          | 5,000,000.00          | 5,000,000.00          | 04/29/2025    | 3.100        | 3.143            | 12,916.67                  | 0.00                    | 12,916.67                  |
| 3134GXC36                                  | 14658        | 010  | MC5             | 5,000,000.00          | 5,000,000.00          | 5,000,000.00          | 12/30/2024    | 4.000        | 4.056            | 16,666.67                  | 0.00                    | 16,666.67                  |
| 3134GYPL0                                  | 14685        | 010  | MC5             | 0.00                  | 5,000,000.00          | 0.00                  | 05/01/2028    | 5.250        |                  | 0.00                       | 0.00                    | 0.00                       |
| 617446HD4                                  | 14670        | 010  | MTN             | 10,000,000.00         | 10,700,116.16         | 10,696,051.82         | 04/01/2032    | 7.250        | 5.978            | 60,416.66                  | -7,866.47               | 52,550.19                  |
| 06051GLG2                                  | 14688        | 010  | MC6             | 1,000,000.00          | 1,000,000.00          | 1,000,000.00          | 04/25/2029    | 5.202        | 5.274            | 4,335.00                   | 0.00                    | 4,335.00                   |
| 31422XJW3                                  | 14638        | 010  | MC5             | 10,000,000.00         | 10,000,000.00         | 10,000,000.00         | 07/20/2026    | 1.500        | 1.521            | 12,500.00                  | 0.00                    | 12,500.00                  |
| 24422EWK1                                  | 14663        | 010  | MTN             | 5,000,000.00          | 4,987,131.81          | 4,987,324.71          | 09/15/2027    | 4.150        | 4.309            | 17,291.67                  | 373.35                  | 17,665.02                  |
| 13063DGB8                                  | 14559        | 010  | MUN             | 5,000,000.00          | 5,006,116.73          | 5,005,484.67          | 04/01/2025    | 3.375        | 3.121            | 14,062.50                  | -1,223.34               | 12,839.16                  |
| 91159HHU7                                  | 14562        | 010  | MC3             | 5,000,000.00          | 5,044,173.71          | 5,042,352.72          | 11/17/2025    | 3.950        | 3.121            | 16,458.34                  | -3,524.50               | 12,933.84                  |
| 91159HHM5                                  | 14684        | 010  | MC3             | 5,000,000.00          | 4,848,157.81          | 4,852,548.77          | 04/27/2026    | 3.100        | 5.369            | 12,916.67                  | 8,498.63                | 21,415.30                  |
| 91159HHW3                                  | 14693        | 010  | MC3             | 5,000,000.00          | 4,372,752.29          | 4,378,441.20          | 07/30/2029    | 3.000        | 6.533            | 12,500.00                  | 11,010.79               | 23,510.79                  |
| 20030NBN0                                  | 14563        | 010  | MTN             | 5,000,000.00          | 5,009,773.54          | 5,009,240.12          | 08/15/2025    | 3.375        | 3.165            | 14,062.50                  | -1,032.42               | 13,030.08                  |
| 747525AU7                                  | 14587        | 010  | MTN             | 5,963,000.00          | 6,075,843.47          | 6,073,940.23          | 05/20/2027    | 3.250        | 2.497            | 16,149.79                  | -3,683.69               | 12,466.10                  |
| 751212AC5                                  | 14566        | 010  | MC3             | 5,000,000.00          | 5,024,936.50          | 5,023,705.56          | 09/15/2025    | 3.750        | 3.207            | 15,625.00                  | -2,382.46               | 13,242.54                  |
| 375558BF9                                  | 14570        | 010  | MTN             | 5,000,000.00          | 5,031,744.59          | 5,030,719.51          | 03/01/2026    | 3.650        | 3.198            | 15,208.33                  | -1,984.04               | 13,224.29                  |
| 233851CU6                                  | 14571        | 010  | MTN             | 5,000,000.00          | 5,024,983.14          | 5,024,489.85          | 01/06/2027    | 3.450        | 3.250            | 14,375.00                  | -954.77                 | 13,420.23                  |
| 233851CU6                                  | 14574        | 010  | MTN             | 3,725,000.00          | 3,757,492.20          | 3,756,850.63          | 01/06/2027    | 3.450        | 3.066            | 10,709.38                  | -1,241.74               | 9,467.64                   |
| 07330MAA5                                  | 14588        | 010  | MTN             | 5,000,000.00          | 5,131,609.15          | 5,128,771.96          | 10/30/2026    | 3.800        | 2.453            | 15,833.33                  | -5,491.34               | 10,341.99                  |
| 04685A2L4                                  | 14590        | 010  | MTN             | 5,950,000.00          | 5,952,039.05          | 5,951,606.10          | 01/14/2025    | 2.500        | 2.363            | 12,395.83                  | -837.97                 | 11,557.86                  |
| 04685A2L4                                  | 14602        | 010  | MTN             | 5,000,000.00          | 4,993,000.74          | 4,994,486.89          | 01/14/2025    | 2.500        | 3.238            | 10,416.66                  | 2,876.41                | 13,293.07                  |
| 22553PXJ3                                  | 14655        | 010  | MC3             | 5,000,000.00          | 5,000,000.00          | 5,000,000.00          | 05/31/2032    | 5.000        | 5.073            | 20,849.12                  | 0.00                    | 20,849.12                  |
| 22553PWD7                                  | 14652        | 010  | MC3             | 5,000,000.00          | 5,000,000.00          | 5,000,000.00          | 05/25/2025    | 4.050        | 4.106            | 16,875.00                  | 0.00                    | 16,875.00                  |
| 88579YAR2                                  | 14659        | 010  | MTN             | 5,000,000.00          | 4,959,883.41          | 4,962,136.34          | 08/07/2025    | 3.000        | 4.134            | 12,500.00                  | 4,360.50                | 16,860.50                  |
| 30303M8G0                                  | 14660        | 010  | MTN             | 5,000,000.00          | 4,892,997.59          | 4,894,649.52          | 08/15/2027    | 3.500        | 4.420            | 14,583.33                  | 3,197.29                | 17,780.62                  |
| 857477CD3                                  | 14698        | 010  | MC3             | 4,000,000.00          | 4,000,000.00          | 4,000,000.00          | 08/03/2026    | 5.272        | 5.345            | 17,573.34                  | 0.00                    | 17,573.34                  |
|                                            |              |      | <b>Subtotal</b> | <b>515,913,000.00</b> | <b>525,671,074.88</b> | <b>519,674,535.52</b> |               |              | <b>2.645</b>     | <b>1,123,530.53</b>        | <b>6,698.00</b>         | <b>1,130,228.53</b>        |

**Page 21 of 32**  
**Pooled Investments Selected Funds**  
**Interest Earnings**  
**November 1, 2024 - November 30, 2024**

**Exhibit 2-B.2**

| CUSIP                                | Investment # | Fund | Security Type   | Ending Par Value      | Beginning Book Value  | Average Book Value    | Maturity Date | Current Rate | Adjusted Interest Earnings |                     |                         |                            |
|--------------------------------------|--------------|------|-----------------|-----------------------|-----------------------|-----------------------|---------------|--------------|----------------------------|---------------------|-------------------------|----------------------------|
|                                      |              |      |                 |                       |                       |                       |               |              | Annualized Yield           | Interest Earned     | Amortization/ Accretion | Adjusted Interest Earnings |
| <b>Fund: Wells Fargo MM- Regular</b> |              |      |                 |                       |                       |                       |               |              |                            |                     |                         |                            |
| SYS14701                             | 14701        | 025  | RRP             | 22,991,213.37         | 43,917,155.31         | 32,422,757.81         |               |              | 4.581                      | 122,073.22          | 0.00                    | 122,073.22                 |
|                                      |              |      | <b>Subtotal</b> | <b>22,991,213.37</b>  | <b>43,917,155.31</b>  | <b>32,422,757.81</b>  |               |              | <b>4.581</b>               | <b>122,073.22</b>   | <b>0.00</b>             | <b>122,073.22</b>          |
| <b>Fund: Fidelity MM - Regular</b>   |              |      |                 |                       |                       |                       |               |              |                            |                     |                         |                            |
| SYS14265                             | 14265        | 040  | RRP             | 36,169,550.20         | 36,033,243.57         | 36,037,787.12         |               | 0.003        | 4.602                      | 136,306.63          | 0.00                    | 136,306.63                 |
|                                      |              |      | <b>Subtotal</b> | <b>36,169,550.20</b>  | <b>36,033,243.57</b>  | <b>36,037,787.12</b>  |               |              | <b>4.602</b>               | <b>136,306.63</b>   | <b>0.00</b>             | <b>136,306.63</b>          |
|                                      |              |      | <b>Total</b>    | <b>575,073,763.57</b> | <b>605,621,473.76</b> | <b>588,135,080.46</b> |               |              | <b>2.872</b>               | <b>1,381,910.38</b> | <b>6,698.00</b>         | <b>1,388,608.38</b>        |



**Pooled Investments Selected Funds**  
**Interest Earnings**  
**Sorted by Fund - Fund**  
**December 1, 2024 - December 31, 2024**  
**Yield on Average Book Value**

| CUSIP                                      | Investment # | Fund | Security Type | Ending Par Value | Beginning Book Value | Average Book Value | Maturity Date | Current Rate | Annualized Yield | Adjusted Interest Earnings |                         |                            |
|--------------------------------------------|--------------|------|---------------|------------------|----------------------|--------------------|---------------|--------------|------------------|----------------------------|-------------------------|----------------------------|
|                                            |              |      |               |                  |                      |                    |               |              |                  | Interest Earned            | Amortization/ Accretion | Adjusted Interest Earnings |
| <b>Fund: Pooled Investment - Long Term</b> |              |      |               |                  |                      |                    |               |              |                  |                            |                         |                            |
| 3130AMWMO                                  | 14634        | 010  | MC5           | 4,250,000.00     | 4,250,000.00         | 4,250,000.00       | 06/30/2026    | 1.050        | 1.030            | 3,718.75                   | 0.00                    | 3,718.75                   |
| 3130AMPL0                                  | 14631        | 010  | MC5           | 15,000,000.00    | 15,000,000.00        | 15,000,000.00      | 06/08/2026    | 1.150        | 1.128            | 14,375.00                  | 0.00                    | 14,375.00                  |
| 3130AMP71                                  | 14630        | 010  | MC5           | 20,000,000.00    | 20,000,000.00        | 20,000,000.00      | 06/18/2026    | 1.200        | 1.177            | 20,000.00                  | 0.00                    | 20,000.00                  |
| 3130AMMW9                                  | 14632        | 010  | MC5           | 10,000,000.00    | 10,000,000.00        | 10,000,000.00      | 06/10/2026    | 1.500        | 1.472            | 12,500.00                  | 0.00                    | 12,500.00                  |
| 3130AN5U0                                  | 14642        | 010  | MC5           | 10,000,000.00    | 10,000,000.00        | 10,000,000.00      | 07/29/2026    | 1.750        | 1.717            | 14,583.33                  | 0.00                    | 14,583.33                  |
| 3130ANJY7                                  | 14643        | 010  | MC5           | 40,000,000.00    | 40,000,000.00        | 40,000,000.00      | 08/26/2026    | 1.000        | 0.981            | 33,333.33                  | 0.00                    | 33,333.33                  |
| 3130ARYA3                                  | 14651        | 010  | MC5           | 5,000,000.00     | 5,000,000.00         | 5,000,000.00       | 05/26/2027    | 4.000        | 3.925            | 16,666.66                  | 0.00                    | 16,666.66                  |
| 3130ARTE1                                  | 14645        | 010  | MC5           | 6,425,000.00     | 6,425,000.00         | 6,425,000.00       | 04/26/2032    | 4.100        | 4.023            | 21,952.09                  | 0.00                    | 21,952.09                  |
| 3130ARX71                                  | 14648        | 010  | MC5           | 5,000,000.00     | 5,000,000.00         | 5,000,000.00       | 05/23/2025    | 3.000        | 2.944            | 12,500.00                  | 0.00                    | 12,500.00                  |
| 3130AMN57                                  | 14629        | 010  | MC5           | 20,000,000.00    | 20,000,000.00        | 20,000,000.00      | 06/03/2026    | 1.100        | 1.079            | 18,333.33                  | 0.00                    | 18,333.33                  |
| 3130AMN24                                  | 14628        | 010  | MC5           | 10,000,000.00    | 10,000,000.00        | 10,000,000.00      | 06/03/2026    | 1.150        | 1.128            | 9,583.33                   | 0.00                    | 9,583.33                   |
| 3130ALZA5                                  | 14612        | 010  | MC5           | 9,000,000.00     | 9,000,000.00         | 9,000,000.00       | 04/29/2026    | 2.000        | 1.962            | 15,000.00                  | 0.00                    | 15,000.00                  |
| 3130AMAV4                                  | 14611        | 010  | MC5           | 5,600,000.00     | 5,600,000.00         | 5,600,000.00       | 04/29/2027    | 1.250        | 1.226            | 5,833.34                   | 0.00                    | 5,833.34                   |
| 3130AMEX6                                  | 14613        | 010  | MC5           | 15,000,000.00    | 15,000,000.00        | 15,000,000.00      | 05/27/2026    | 1.750        | 1.717            | 21,875.00                  | 0.00                    | 21,875.00                  |
| 3130AMFQ0                                  | 14616        | 010  | MC5           | 15,000,000.00    | 15,000,000.00        | 15,000,000.00      | 05/26/2026    | 1.150        | 1.128            | 14,375.00                  | 0.00                    | 14,375.00                  |
| 3130AMF72                                  | 14615        | 010  | MC5           | 15,000,000.00    | 15,000,000.00        | 15,000,000.00      | 05/27/2026    | 1.300        | 1.276            | 16,250.00                  | 0.00                    | 16,250.00                  |
| 3130AMG22                                  | 14624        | 010  | MC5           | 10,000,000.00    | 10,000,000.00        | 10,000,000.00      | 05/27/2026    | 1.500        | 1.472            | 12,500.00                  | 0.00                    | 12,500.00                  |
| 3130AMLS9                                  | 14627        | 010  | MC5           | 10,000,000.00    | 10,000,000.00        | 10,000,000.00      | 06/17/2026    | 1.500        | 1.367            | 11,611.11                  | 0.00                    | 11,611.11                  |
| 3130AMG55                                  | 14622        | 010  | MC5           | 10,000,000.00    | 10,000,000.00        | 10,000,000.00      | 05/27/2027    | 1.375        | 1.349            | 11,458.33                  | 0.00                    | 11,458.33                  |
| 3130AMGG1                                  | 14619        | 010  | MC5           | 10,000,000.00    | 10,000,000.00        | 10,000,000.00      | 05/26/2026    | 2.000        | 1.962            | 16,666.66                  | 0.00                    | 16,666.66                  |
| 3130AMFN7                                  | 14620        | 010  | MC5           | 10,000,000.00    | 10,000,000.00        | 10,000,000.00      | 05/26/2026    | 2.000        | 1.962            | 16,666.66                  | 0.00                    | 16,666.66                  |
| 3130AMFT4                                  | 14617        | 010  | MC5           | 10,000,000.00    | 10,000,000.00        | 10,000,000.00      | 05/27/2026    | 1.250        | 1.226            | 10,416.67                  | 0.00                    | 10,416.67                  |
| 3130AMG22                                  | 14618        | 010  | MC5           | 20,000,000.00    | 20,000,000.00        | 20,000,000.00      | 05/27/2026    | 1.500        | 1.472            | 25,000.00                  | 0.00                    | 25,000.00                  |
| 3130AS7K9                                  | 14654        | 010  | MC5           | 5,000,000.00     | 5,000,000.00         | 5,000,000.00       | 05/26/2032    | 4.440        | 4.356            | 18,500.00                  | 0.00                    | 18,500.00                  |
| 3130ASGF0                                  | 14656        | 010  | MC5           | 5,000,000.00     | 5,000,000.00         | 5,000,000.00       | 06/30/2025    | 4.000        | 3.925            | 16,666.67                  | 0.00                    | 16,666.67                  |
| 3130AULM4                                  | 14678        | 010  | MC4           | 5,000,000.00     | 5,000,000.00         | 5,000,000.00       | 01/26/2033    | 5.620        | 5.514            | 23,416.67                  | 0.00                    | 23,416.67                  |
| 3133EPGS8                                  | 14687        | 010  | FAC           | 5,000,000.00     | 4,998,547.35         | 4,998,646.90       | 07/24/2025    | 4.250        | 4.215            | 17,708.33                  | 187.03                  | 17,895.36                  |
| 3133EPPE9                                  | 14689        | 010  | FAC           | 5,000,000.00     | 4,987,807.87         | 4,988,146.45       | 07/06/2026    | 4.375        | 4.453            | 18,229.17                  | 636.11                  | 18,865.28                  |
| 3133EPGG4                                  | 14686        | 010  | FAC           | 5,000,000.00     | 4,965,097.01         | 4,965,281.61       | 04/20/2033    | 4.000        | 4.034            | 16,666.66                  | 346.83                  | 17,013.49                  |
| 3133EPPF6                                  | 14690        | 010  | FAC           | 5,000,000.00     | 4,964,895.57         | 4,965,234.46       | 07/05/2029    | 4.125        | 4.227            | 17,187.50                  | 636.71                  | 17,824.21                  |
| 3133EPQT5                                  | 14695        | 010  | MC5           | 5,000,000.00     | 5,000,000.00         | 5,000,000.00       | 07/25/2033    | 5.650        | 5.544            | 23,541.67                  | 0.00                    | 23,541.67                  |
| 3133ENWW6                                  | 14653        | 010  | MC5           | 5,000,000.00     | 4,995,889.54         | 4,995,913.97       | 05/17/2032    | 4.370        | 4.302            | 18,208.34                  | 45.91                   | 18,254.25                  |

**Page 23 of 32**  
**Pooled Investments Selected Funds**  
**Interest Earnings**  
**December 1, 2024 - December 31, 2024**

**Exhibit 2-B.3**

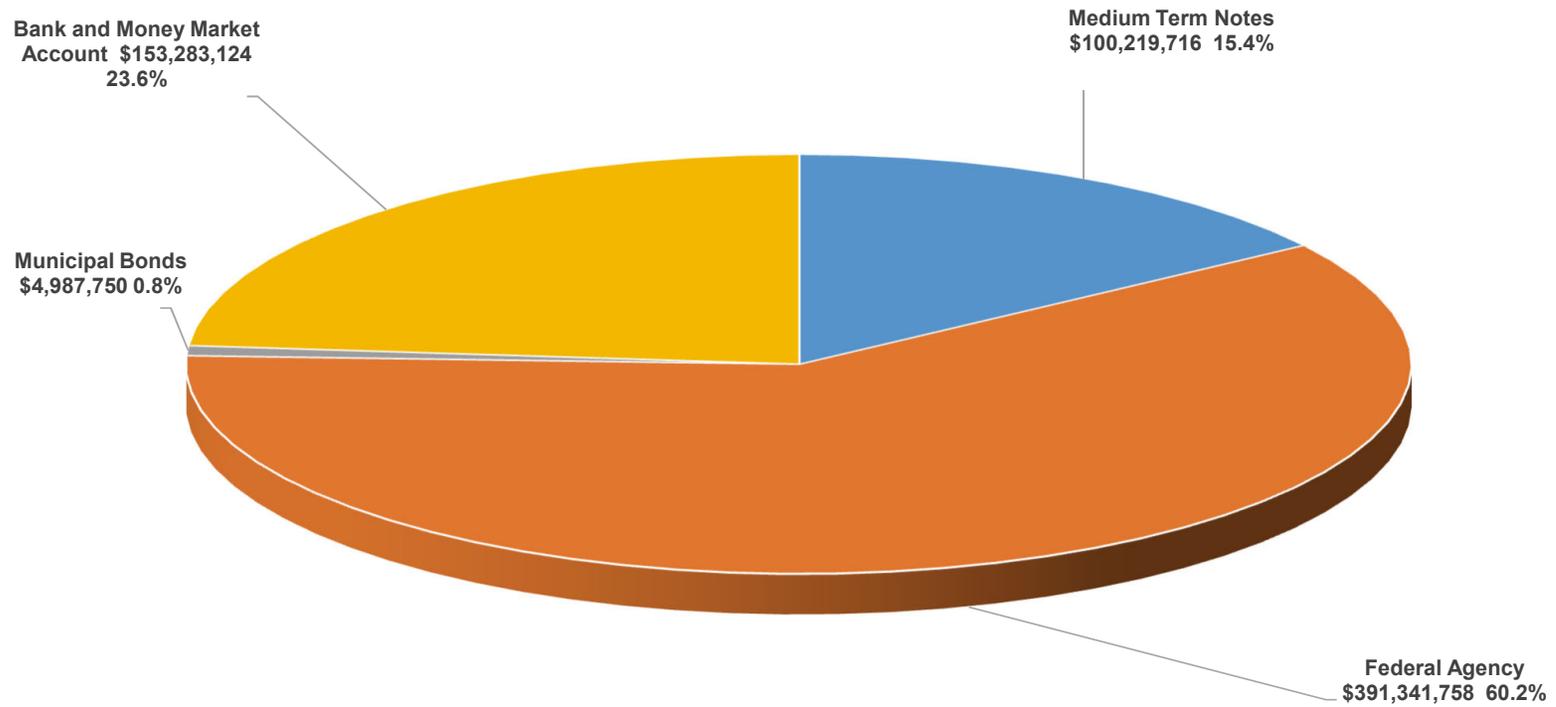
| CUSIP                                      | Investment # | Fund | Security Type | Ending Par Value      | Beginning Book Value  | Average Book Value    | Maturity Date | Current Rate | Annualized Yield | Adjusted Interest Earnings |                         |                            |
|--------------------------------------------|--------------|------|---------------|-----------------------|-----------------------|-----------------------|---------------|--------------|------------------|----------------------------|-------------------------|----------------------------|
|                                            |              |      |               |                       |                       |                       |               |              |                  | Interest Earned            | Amortization/ Accretion | Adjusted Interest Earnings |
| <b>Fund: Pooled Investment - Long Term</b> |              |      |               |                       |                       |                       |               |              |                  |                            |                         |                            |
| 3133EPEK7                                  | 14682        | 010  | MC5           | 5,000,000.00          | 5,000,000.00          | 5,000,000.00          | 04/03/2025    | 4.620        | 4.533            | 19,250.00                  | 0.00                    | 19,250.00                  |
| 3133ENN22                                  | 14664        | 010  | FAC           | 5,000,000.00          | 4,994,707.72          | 4,994,998.12          | 09/22/2025    | 3.750        | 3.812            | 15,625.00                  | 545.60                  | 16,170.60                  |
| 3133ENV72                                  | 14669        | 010  | FAC           | 5,000,000.00          | 4,992,591.87          | 4,992,790.35          | 07/27/2026    | 4.500        | 4.510            | 18,750.00                  | 372.89                  | 19,122.89                  |
| 3133ENN30                                  | 14668        | 010  | FAC           | 5,000,000.00          | 4,696,610.92          | 4,698,335.53          | 09/20/2032    | 3.875        | 4.858            | 16,145.83                  | 3,240.18                | 19,386.01                  |
| 3133ENUV0                                  | 14644        | 010  | MC5           | 5,000,000.00          | 5,000,000.00          | 5,000,000.00          | 04/19/2032    | 4.000        | 3.925            | 16,666.67                  | 0.00                    | 16,666.67                  |
| 3133EN6K1                                  | 14676        | 010  | MC4           | 5,000,000.00          | 5,000,000.00          | 5,000,000.00          | 01/23/2030    | 4.220        | 4.141            | 17,583.34                  | 0.00                    | 17,583.34                  |
| 3133ENP95                                  | 14666        | 010  | FAC           | 5,000,000.00          | 4,994,223.67          | 4,994,531.53          | 09/30/2025    | 4.250        | 4.311            | 17,708.34                  | 579.57                  | 18,287.91                  |
| 3133ENS50                                  | 14667        | 010  | FAC           | 5,000,000.00          | 4,999,555.24          | 4,999,562.11          | 10/14/2027    | 4.125        | 4.051            | 17,187.50                  | 12.91                   | 17,200.41                  |
| 3133EPAJ4                                  | 14679        | 010  | MC4           | 5,000,000.00          | 5,000,000.00          | 5,000,000.00          | 02/09/2033    | 4.000        | 3.925            | 16,666.67                  | 0.00                    | 16,666.67                  |
| 3133EN6K1                                  | 14677        | 010  | MC4           | 5,000,000.00          | 5,000,000.00          | 5,000,000.00          | 01/23/2030    | 4.220        | 4.141            | 17,583.34                  | 0.00                    | 17,583.34                  |
| 3133ENVV9                                  | 14647        | 010  | MC5           | 5,000,000.00          | 5,000,000.00          | 5,000,000.00          | 05/03/2027    | 3.630        | 3.562            | 15,125.00                  | 0.00                    | 15,125.00                  |
| 3134GXC28                                  | 14657        | 010  | MC5           | 5,000,000.00          | 5,000,000.00          | 5,000,000.00          | 07/18/2025    | 4.100        | 4.023            | 17,083.33                  | 0.00                    | 17,083.33                  |
| 3134GXRS5                                  | 14646        | 010  | MC5           | 5,000,000.00          | 5,000,000.00          | 5,000,000.00          | 04/29/2025    | 3.100        | 3.042            | 12,916.66                  | 0.00                    | 12,916.66                  |
| 3134GXC36                                  | 14658        | 010  | MC5           | 0.00                  | 5,000,000.00          | 4,677,419.35          | 12/30/2024    | 4.000        | 4.056            | 16,111.11                  | 0.00                    | 16,111.11                  |
| 617446HD4                                  | 14670        | 010  | MTN           | 10,000,000.00         | 10,692,249.69         | 10,688,062.70         | 04/01/2032    | 7.250        | 5.789            | 60,416.67                  | -7,866.47               | 52,550.20                  |
| 06051GLG2                                  | 14688        | 010  | MC6           | 1,000,000.00          | 1,000,000.00          | 1,000,000.00          | 04/25/2029    | 5.202        | 5.104            | 4,335.00                   | 0.00                    | 4,335.00                   |
| 31422XJW3                                  | 14638        | 010  | MC5           | 10,000,000.00         | 10,000,000.00         | 10,000,000.00         | 07/20/2026    | 1.500        | 1.472            | 12,500.00                  | 0.00                    | 12,500.00                  |
| 24422EWK1                                  | 14663        | 010  | MTN           | 5,000,000.00          | 4,987,505.16          | 4,987,703.88          | 09/15/2027    | 4.150        | 4.170            | 17,291.66                  | 373.35                  | 17,665.01                  |
| 13063DGB8                                  | 14559        | 010  | MUN           | 5,000,000.00          | 5,004,893.39          | 5,004,242.25          | 04/01/2025    | 3.375        | 3.021            | 14,062.50                  | -1,223.35               | 12,839.15                  |
| 91159HHU7                                  | 14562        | 010  | MC3           | 5,000,000.00          | 5,040,649.21          | 5,038,773.27          | 11/17/2025    | 3.950        | 3.022            | 16,458.33                  | -3,524.50               | 12,933.83                  |
| 91159HHM5                                  | 14684        | 010  | MC3           | 5,000,000.00          | 4,856,656.44          | 4,861,179.90          | 04/27/2026    | 3.100        | 5.187            | 12,916.67                  | 8,498.63                | 21,415.30                  |
| 91159HHW3                                  | 14693        | 010  | MC3           | 5,000,000.00          | 4,383,763.08          | 4,389,611.82          | 07/30/2029    | 3.000        | 6.306            | 12,500.00                  | 11,010.78               | 23,510.78                  |
| 20030NBN0                                  | 14563        | 010  | MTN           | 5,000,000.00          | 5,008,741.12          | 5,008,191.61          | 08/15/2025    | 3.375        | 3.063            | 14,062.50                  | -1,032.41               | 13,030.09                  |
| 747525AU7                                  | 14587        | 010  | MTN           | 5,963,000.00          | 6,072,159.78          | 6,070,199.11          | 05/20/2027    | 3.250        | 2.418            | 16,149.79                  | -3,683.68               | 12,466.11                  |
| 751212AC5                                  | 14566        | 010  | MC3           | 5,000,000.00          | 5,022,554.04          | 5,021,285.95          | 09/15/2025    | 3.750        | 3.105            | 15,625.00                  | -2,382.47               | 13,242.53                  |
| 375558BF9                                  | 14570        | 010  | MTN           | 5,000,000.00          | 5,029,760.55          | 5,028,704.53          | 03/01/2026    | 3.650        | 3.096            | 15,208.33                  | -1,984.03               | 13,224.30                  |
| 233851CU6                                  | 14571        | 010  | MTN           | 5,000,000.00          | 5,024,028.37          | 5,023,520.19          | 01/06/2027    | 3.450        | 3.145            | 14,375.00                  | -954.77                 | 13,420.23                  |
| 233851CU6                                  | 14574        | 010  | MTN           | 3,725,000.00          | 3,756,250.46          | 3,755,589.53          | 01/06/2027    | 3.450        | 2.968            | 10,709.37                  | -1,241.74               | 9,467.63                   |
| 07330MAA5                                  | 14588        | 010  | MTN           | 5,000,000.00          | 5,126,117.81          | 5,123,200.91          | 10/30/2026    | 3.800        | 2.377            | 15,833.33                  | -5,491.34               | 10,341.99                  |
| 04685A2L4                                  | 14590        | 010  | MTN           | 5,950,000.00          | 5,951,201.08          | 5,950,755.07          | 01/14/2025    | 2.500        | 2.287            | 12,395.83                  | -837.96                 | 11,557.87                  |
| 04685A2L4                                  | 14602        | 010  | MTN           | 5,000,000.00          | 4,995,877.15          | 4,997,408.14          | 01/14/2025    | 2.500        | 3.132            | 10,416.67                  | 2,876.41                | 13,293.08                  |
| 22553PXJ3                                  | 14655        | 010  | MC3           | 5,000,000.00          | 5,000,000.00          | 5,000,000.00          | 05/31/2032    | 5.000        | 5.017            | 21,306.82                  | 0.00                    | 21,306.82                  |
| 22553PWD7                                  | 14652        | 010  | MC3           | 5,000,000.00          | 5,000,000.00          | 5,000,000.00          | 05/25/2025    | 4.050        | 3.974            | 16,875.00                  | 0.00                    | 16,875.00                  |
| 88579YAR2                                  | 14659        | 010  | MTN           | 5,000,000.00          | 4,964,243.91          | 4,966,564.82          | 08/07/2025    | 3.000        | 3.997            | 12,500.00                  | 4,360.50                | 16,860.50                  |
| 30303M8G0                                  | 14660        | 010  | MTN           | 5,000,000.00          | 4,896,194.88          | 4,897,896.66          | 08/15/2027    | 3.500        | 4.274            | 14,583.34                  | 3,197.28                | 17,780.62                  |
| 857477CD3                                  | 14698        | 010  | MC3           | 4,000,000.00          | 4,000,000.00          | 4,000,000.00          | 08/03/2026    | 5.272        | 5.173            | 17,573.33                  | 0.00                    | 17,573.33                  |
| <b>Subtotal</b>                            |              |      |               | <b>510,913,000.00</b> | <b>515,677,772.88</b> | <b>515,358,750.73</b> |               |              | <b>2.569</b>     | <b>1,117,821.53</b>        | <b>6,697.97</b>         | <b>1,124,519.50</b>        |

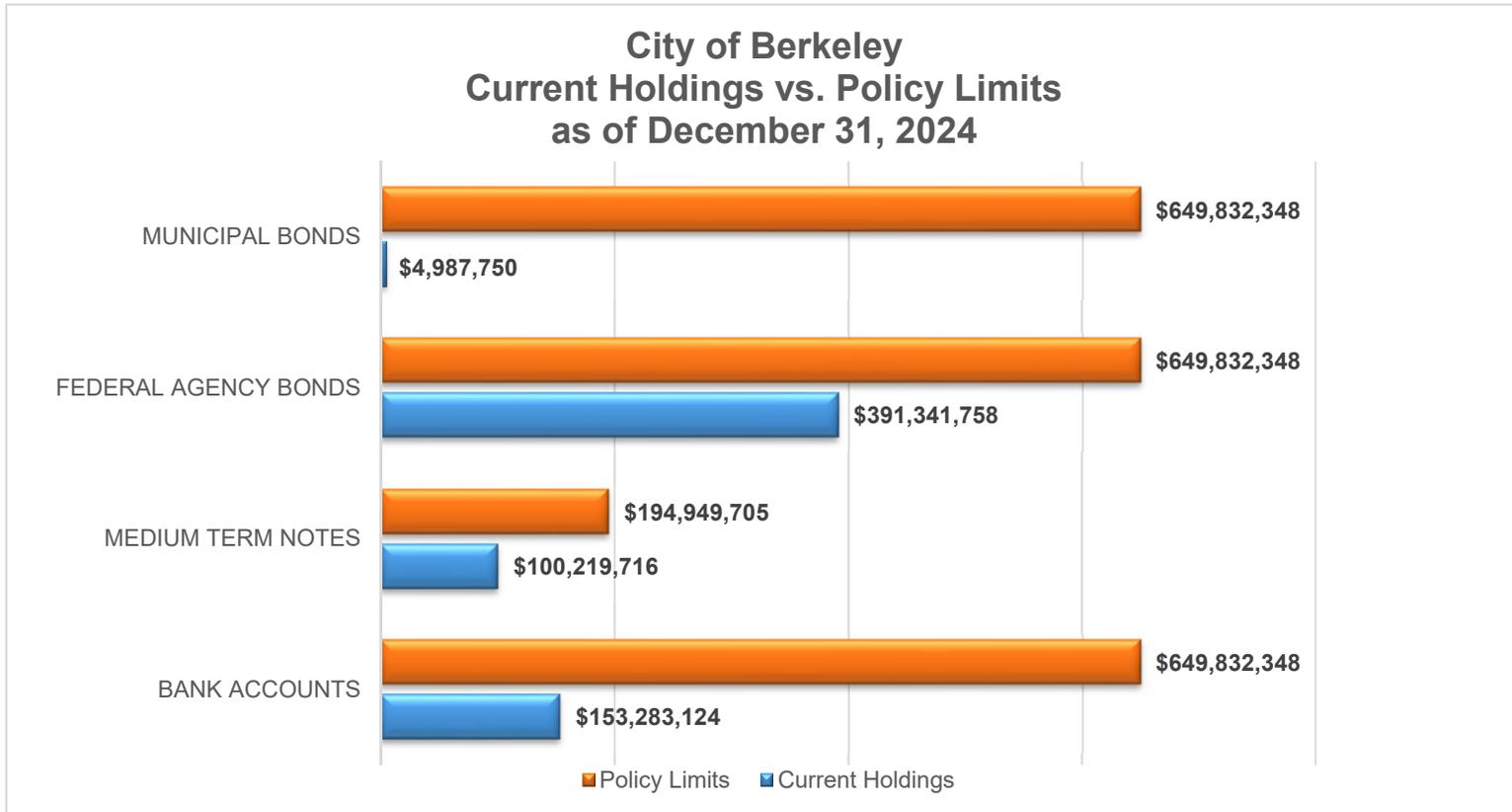
**Page 24 of 32**  
**Pooled Investments Selected Funds**  
**Interest Earnings**  
**December 1, 2024 - December 31, 2024**

**Exhibit 2-B.3**

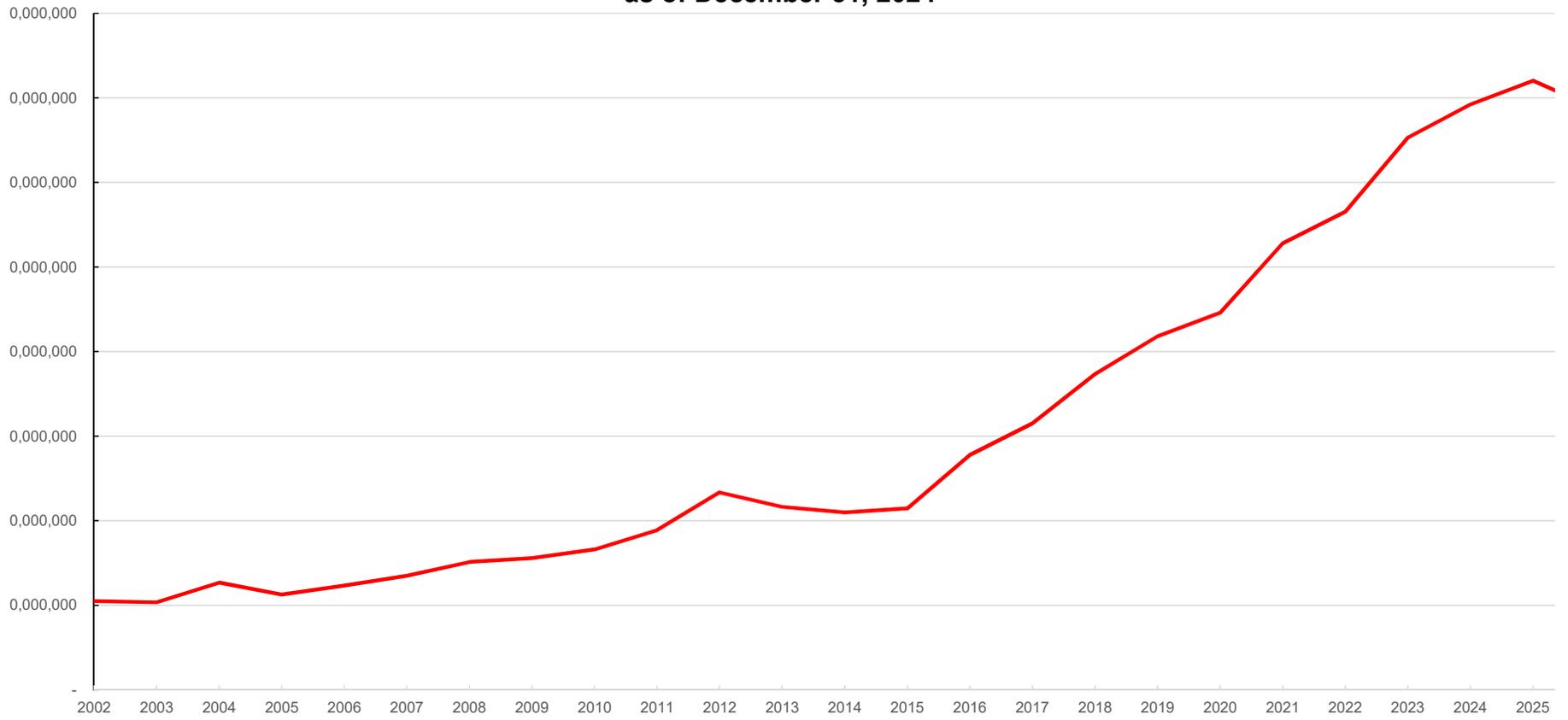
| CUSIP                                | Investment # | Fund | Security Type   | Ending Par Value      | Beginning Book Value  | Average Book Value    | Maturity Date | Current Rate | Adjusted Interest Earnings |                     |                         |                            |
|--------------------------------------|--------------|------|-----------------|-----------------------|-----------------------|-----------------------|---------------|--------------|----------------------------|---------------------|-------------------------|----------------------------|
|                                      |              |      |                 |                       |                       |                       |               |              | Annualized Yield           | Interest Earned     | Amortization/ Accretion | Adjusted Interest Earnings |
| <b>Fund: Wells Fargo MM- Regular</b> |              |      |                 |                       |                       |                       |               |              |                            |                     |                         |                            |
| SYS14701                             | 14701        | 025  | RRP             | 118,049,536.23        | 22,991,213.37         | 83,073,789.32         |               |              | 4.359                      | 307,545.53          | 0.00                    | 307,545.53                 |
|                                      |              |      | <b>Subtotal</b> | <b>118,049,536.23</b> | <b>22,991,213.37</b>  | <b>83,073,789.32</b>  |               |              | <b>4.359</b>               | <b>307,545.53</b>   | <b>0.00</b>             | <b>307,545.53</b>          |
| <b>Fund: Fidelity MM - Regular</b>   |              |      |                 |                       |                       |                       |               |              |                            |                     |                         |                            |
| SYS14265                             | 14265        | 040  | RRP             | 36,307,030.01         | 36,169,550.20         | 36,173,985.03         |               | 0.003        | 4.475                      | 137,479.81          | 0.00                    | 137,479.81                 |
|                                      |              |      | <b>Subtotal</b> | <b>36,307,030.01</b>  | <b>36,169,550.20</b>  | <b>36,173,985.03</b>  |               |              | <b>4.475</b>               | <b>137,479.81</b>   | <b>0.00</b>             | <b>137,479.81</b>          |
|                                      |              |      | <b>Total</b>    | <b>665,269,566.24</b> | <b>574,838,536.45</b> | <b>634,606,525.08</b> |               |              | <b>2.912</b>               | <b>1,562,846.87</b> | <b>6,697.97</b>         | <b>1,569,544.84</b>        |

Pooled Cash and Investments  
(Market Value)  
as of December 31, 2024





**Pooled and Trust  
Cash and Investment Portfolio Trend  
as of December 31, 2024**



## Exhibit 2-F

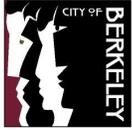
## Investments Yielding 2 Percent or Less Maturing in 2026 or 2027

| <u>Investment<br/>Number</u> | <u>Investment<br/>Par Value</u> | <u>Interest<br/>Rate</u> | <u>Maturity<br/>Date</u> |
|------------------------------|---------------------------------|--------------------------|--------------------------|
| 14619                        | 10,000,000                      | 2.00%                    | 05/26/2026               |
| 14620                        | 10,000,000                      | 2.00%                    | 05/26/2026               |
| 14618                        | 20,000,000                      | 1.25%                    | 05/27/2026               |
| 14622                        | 10,000,000                      | 1.38%                    | 05/27/2026               |
| 14632                        | 10,000,000                      | 1.50%                    | 06/10/2026               |
| 14630                        | 20,000,000                      | 1.20%                    | 06/18/2026               |
| 14629                        | 20,000,000                      | 1.10%                    | 06/02/2026               |
| 14627                        | 10,000,000                      | 1.30%                    | 06/17/2026               |
| 14628                        | 10,000,000                      | 1.15%                    | 06/03/2026               |
| 14643                        | 40,000,000                      | 1.00%                    | 08/26/2026               |
| 14642                        | 10,000,000                      | 1.75%                    | 07/29/2026               |
| 14631                        | 15,000,000                      | 1.15%                    | 06/08/2026               |
| 14634                        | 4,250,000                       | 1.05%                    | 06/30/2026               |
| 14616                        | 15,000,000                      | 1.15%                    | 05/26/2026               |
| 14611                        | 5,600,000                       | 1.25%                    | 04/29/2027               |
| 14624                        | 10,000,000                      | 1.25%                    | 05/27/2026               |
| 14613                        | 15,000,000                      | 1.75%                    | 05/27/2026               |
| 14612                        | 9,000,000                       | 2.00%                    | 04/29/2026               |
| 14615                        | 15,000,000                      | 1.30%                    | 05/27/2026               |
| 14638                        | 10,000,000                      | 1.50%                    | 07/20/2026               |
|                              | <u>\$268,850,000</u>            |                          |                          |



**Summary of Pooled Cash and Investments - Trust Funds**  
**(Market Value)**  
**As of December 31, 2024**

|                                         |                                       | <u>Pooled Cash</u>          | <u>Investments<br/>(Book Value)</u> | <u>Gain/Loss on<br/>Investments</u> | <u>Pooled Cash<br/>&amp; Investments<br/>(Market Value)</u> |
|-----------------------------------------|---------------------------------------|-----------------------------|-------------------------------------|-------------------------------------|-------------------------------------------------------------|
| <b>Retiree Medical Trust Fund</b>       |                                       |                             |                                     |                                     |                                                             |
| <b>Fund No.</b>                         |                                       |                             |                                     |                                     |                                                             |
| 721                                     | BHA                                   | \$ (1,369)                  | \$ 569,657                          | \$ 27,452                           | \$ 595,740                                                  |
| 722                                     | M1=IBEW                               | (213,107)                   | 83,336                              | (4,671)                             | (134,442)                                                   |
| 723                                     | M2=Local 1                            | 2,371,581                   | 10,973,633                          | 28,675                              | 13,373,888                                                  |
| 724                                     | MUI=Z1                                | 299,727                     | 1,930,487                           | (146,177)                           | 2,084,037                                                   |
| 725                                     | MUI=Z2 to Z6                          | 399,359                     | 2,792,200                           | (109,418)                           | 3,082,141                                                   |
| 726                                     | M535= Local 535                       | 1,923,427                   | 10,081,742                          | (446,796)                           | 11,558,373                                                  |
| 727                                     | M3=Local 790                          | 881,786                     | 6,396,042                           | (115,241)                           | 7,162,587                                                   |
| <b>Total Retiree Medical Trust Fund</b> |                                       | <b><u>5,661,404</u></b>     | <b><u>32,827,096</u></b>            | <b><u>(766,178)</u></b>             | <b><u>37,722,323</u></b>                                    |
| <b>Fire Medical Trust Fund</b>          |                                       |                             |                                     |                                     |                                                             |
| 736                                     | Fire Medical Trust Fund               | 8,009,844                   | 6,891,847                           | (572,496)                           | 14,329,194                                                  |
| <b>Total Fire Medical Trust Fund</b>    |                                       | <b><u>8,009,844</u></b>     | <b><u>6,891,847</u></b>             | <b><u>(572,496)</u></b>             | <b><u>14,329,194</u></b>                                    |
| <b>Police Medical Trust Fund</b>        |                                       |                             |                                     |                                     |                                                             |
| 731                                     | Police EE Retiree HLT Assistance Plan | 503,639                     | 1,783,484                           | (156,856)                           | 2,130,267                                                   |
| 701                                     | Safety Members Pension Fund           | 258,302                     | -                                   | -                                   | 258,302                                                     |
| 706                                     | Police Medical Trust Fund             | 397,283                     | 3,090,501                           | (232,678)                           | 3,255,107                                                   |
| <b>Total Police Medical Trust Fund</b>  |                                       | <b><u>1,159,224</u></b>     | <b><u>4,873,986</u></b>             | <b><u>(389,534)</u></b>             | <b><u>5,643,675</u></b>                                     |
| <b>Total Trust Funds</b>                |                                       | <b><u>\$ 14,830,472</u></b> | <b><u>\$ 44,592,929</u></b>         | <b><u>\$ (1,728,208)</u></b>        | <b><u>\$ 57,695,193</u></b>                                 |



**Retiree Medical Trust Fund  
Fund 721 - 727  
Interest Earnings  
October 01 to December 31, 2024**

| CUSIP                                     | Investment # | Issuer                   | Investments             |                      |                      |                      |               |                | Interest Earnings               |                            |                            |                   |                   |
|-------------------------------------------|--------------|--------------------------|-------------------------|----------------------|----------------------|----------------------|---------------|----------------|---------------------------------|----------------------------|----------------------------|-------------------|-------------------|
|                                           |              |                          | As of December 31, 2024 |                      |                      |                      |               |                | October 01 to December 31, 2024 |                            |                            |                   |                   |
|                                           |              |                          | Par Value               | Beginning Book Value | Ending Book Value    | Market Value         | Maturity Date | Moody's Rating | Current Rate                    | Annualized Yield           | Adjusted Interest Earnings |                   |                   |
|                                           |              |                          |                         |                      |                      |                      |               |                | Interest Earned                 | Amortization/<br>Accretion | Adjusted Interest Earnings |                   |                   |
| <b>Federal Agency Coupon Securities</b>   |              |                          |                         |                      |                      |                      |               |                |                                 |                            |                            |                   |                   |
| 3133EFQT7                                 | 14361        | Fed Farm Credit Bank     | 2,600,000.00            | 2,602,091.94         | 2,601,637.17         | 2,562,950.00         | 11/25/2025    | AAA            | 2.700                           | 2.606                      | 17,550.00                  | (454.77)          | 17,095.23         |
| <b>Medium Term Notes - Callable</b>       |              |                          |                         |                      |                      |                      |               |                |                                 |                            |                            |                   |                   |
| 665859AX2                                 | 14671        | Northern Trust Corp      | 10,000,000.00           | 10,013,769.34        | 10,013,343.63        | 10,549,300.00        | 11/02/2032    | A2             | 6.125                           | 6.050                      | 153,125.00                 | (425.71)          | 152,699.29        |
| <b>Federal Agency Continuous Callable</b> |              |                          |                         |                      |                      |                      |               |                |                                 |                            |                            |                   |                   |
| 3133EPMQ5                                 | 14691 Misc   | Federal Farm Credit Bank | 4,746,000.00            | 4,714,855.62         | 4,715,749.71         | 4,736,080.86         | 06/16/2033    | AAA            | 5.360                           | 5.427                      | 63,596.40                  | 894.09            | 64,490.49         |
| 3133EPNL5                                 | 14692 Misc   | Federal Farm Credit Bank | 3,796,800.00            | 3,772,542.15         | 3,773,237.00         | 3,802,077.55         | 06/23/2033    | AAA            | 5.180                           | 5.244                      | 49,168.56                  | 694.85            | 49,863.41         |
| <b>Continous Callable Bonds</b>           |              |                          |                         |                      |                      |                      |               |                |                                 |                            |                            |                   |                   |
| 797440CD4                                 | 14680        | San Diego Gas & Electric | 2,000,000.00            | 1,980,050.79         | 1,980,225.78         | 1,881,900.00         | 04/01/2053    | A1             | 5.350                           | 5.395                      | 26,750.00                  | 174.99            | 26,924.99         |
| <b>Municipal Bonds</b>                    |              |                          |                         |                      |                      |                      |               |                |                                 |                            |                            |                   |                   |
| 786091AG3                                 | 14316        | SACGEN                   | 3,785,000.00            | 3,819,087.35         | 3,808,861.15         | 3,842,910.50         | 08/01/2025    | A1             | 7.250                           | 6.049                      | 68,603.13                  | (10,226.20)       | 58,376.93         |
| <b>Savo Island Loan</b>                   |              |                          |                         |                      |                      |                      |               |                |                                 |                            |                            |                   |                   |
| SYS10988                                  | 10988        | EMPMED                   | 54,000.00               | 54,000.00            | 54,000.00            | 54,000.00            | 09/01/2025    | N/A            | 8.000                           | 7.977                      | 1,097.90                   | -                 | 1,097.90          |
| <b>Preferred Securities</b>               |              |                          |                         |                      |                      |                      |               |                |                                 |                            |                            |                   |                   |
| 00206R706                                 | 14591        | AT&T Inc.                | 1,680,033.60            | 1,680,033.60         | 1,680,033.60         | 1,323,359.80         | N/A           | N/A            | 4.596                           | 4.674                      | 19,517.42                  | -                 | 19,517.42         |
| 00206R706                                 | 14596        | AT&T Inc.                | 1,680,008.40            | 1,680,008.40         | 1,680,008.40         | 1,323,339.95         | N/A           | N/A            | 4.640                           | 4.674                      | 19,517.13                  | -                 | 19,517.13         |
| 00206R706                                 | 14597        | AT&T Inc.                | 2,520,000.00            | 2,520,000.00         | 2,520,000.00         | 1,985,000.00         | N/A           | N/A            | 4.643                           | 4.674                      | 29,275.56                  | -                 | 29,275.56         |
| <b>Pooled Cash</b>                        |              |                          |                         |                      |                      |                      |               |                |                                 |                            |                            |                   |                   |
|                                           |              |                          | 5,661,403.97            | 4,254,614.90         | 5,661,403.97         | 5,661,403.97         | N/A           | N/A            |                                 | 4.769                      | 59,084.78                  | -                 | 59,084.78         |
| <b>Total</b>                              |              |                          | <b>38,523,245.97</b>    | <b>37,091,054.09</b> | <b>38,488,500.41</b> | <b>37,722,322.63</b> |               |                |                                 | <b>5.234</b>               | <b>507,285.88</b>          | <b>(9,342.75)</b> | <b>497,943.13</b> |

**Total Pooled Cash and Investments (Book Value) \$ 38,488,500.41**  
**Gain/Loss on Investments (766,177.78)**  
**Total Pooled Cash and Investments (Market Value) 37,722,322.63**



**Fire Retiree Medical  
Fund 736  
Interest Earnings  
October 01 to December 31, 2024**

| Investments<br>As of December 31, 2024      |              |                               |                         |                         |                         |                         |               |                | Interest Earnings<br>October 01 to December 31, 2024 |                  |                            |                         |                            |
|---------------------------------------------|--------------|-------------------------------|-------------------------|-------------------------|-------------------------|-------------------------|---------------|----------------|------------------------------------------------------|------------------|----------------------------|-------------------------|----------------------------|
| CUSIP                                       | Investment # | Issuer                        | Par Value               | Beginning Book Value    | Ending Book Value       | Market Value            | Maturity Date | Moody's Rating | Current Rate                                         | Annualized Yield | Adjusted Interest Earnings |                         |                            |
|                                             |              |                               |                         |                         |                         |                         |               |                |                                                      |                  | Interest Earned            | Amortization/ Accretion | Adjusted Interest Earnings |
| <b>Medium Term Notes</b>                    |              |                               |                         |                         |                         |                         |               |                |                                                      |                  |                            |                         |                            |
| 6174467X1                                   | 14318        | Morgan Stanley DW DTC#0015    | 2,000,000.00            | 2,008,856.23            | 2,006,926.30            | 2,003,280.00            | 11/24/2025    | BAA1           | 5.000                                                | 4.558            | 25,000.00                  | (1,929.92)              | 23,070.08                  |
| <b>Federal Agency Coupon Securities</b>     |              |                               |                         |                         |                         |                         |               |                |                                                      |                  |                            |                         |                            |
| 3133EFQT7                                   | 14362        | Fed Farm Credit Bank          | 2,300,000.00            | 2,301,850.56            | 2,301,448.27            | 2,267,225.00            | 11/25/2025    | AAA            | 2.700                                                | 2.607            | 15,525.00                  | (402.30)                | 15,122.70                  |
| <b>Federal Agency Continuously Callable</b> |              |                               |                         |                         |                         |                         |               |                |                                                      |                  |                            |                         |                            |
| 3133EPMQ5                                   | 14691        | Fire Federal Farm Credit Bank | 35,500.00               | 35,267.04               | 35,273.73               | 35,425.81               | 06/16/2033    | AAA            | 5.360                                                | 5.426            | 475.70                     | 6.69                    | 482.39                     |
| 3133EPNL5                                   | 14692        | Fire Federal Farm Credit Bank | 28,400.00               | 28,218.55               | 28,223.75               | 28,439.48               | 06/23/2033    | AAA            | 5.180                                                | 5.243            | 367.78                     | 5.20                    | 372.98                     |
| 3130AUB78                                   | 14672        | Federal Home Loan Banks       | -                       | 2,461,538.44            | -                       | -                       |               | AAA            | 6.230                                                | 6.317            | 425.98                     | -                       | 425.98                     |
| <b>Preferred Securities</b>                 |              |                               |                         |                         |                         |                         |               |                |                                                      |                  |                            |                         |                            |
| 00206R706                                   | 14592        | AT&T Inc.                     | 1,679,983.20            | 1,679,983.20            | 1,679,983.20            | 1,323,320.10            | N/A           | N/A            | 4.596                                                | 4.609            | 19,516.84                  | -                       | 19,516.84                  |
| 00206R706                                   | 14594        | AT&T Inc.                     | 839,991.60              | 839,991.60              | 839,991.60              | 661,660.05              | N/A           | N/A            | 4.640                                                | 4.609            | 9,758.41                   | -                       | 9,758.41                   |
| <b>Pooled Cash</b>                          |              |                               |                         |                         |                         |                         |               |                |                                                      |                  |                            |                         |                            |
|                                             |              |                               | 8,009,844.37            | 5,105,125.95            | 8,009,844.37            | 8,009,844.37            | N/A           | N/A            |                                                      | 4.494            | 84,009.69                  | -                       | 84,009.69                  |
| <b>Total</b>                                |              |                               | <b>\$ 14,893,719.17</b> | <b>\$ 14,460,831.57</b> | <b>\$ 14,901,691.22</b> | <b>\$ 14,329,194.81</b> |               |                |                                                      | <b>4.227</b>     | <b>\$ 155,079.40</b>       | <b>\$ (2,320.33)</b>    | <b>\$ 152,759.07</b>       |

**Total Pooled Cash and Investments (Book Value) \$ 14,901,691.22**  
**Gain/Loss on Investments (572,496.41)**  
**Total Pooled Cash and Investments (Market Value) 14,329,194.81**



**Police Retiree Medical  
Fund 731 and 706  
Interest Earnings  
October 01 to December 31, 2024**

| Investments<br>As of December 31, 2024      |              |                              |                        |                        |                        |                        |               |                | Interest Earnings<br>October 01 to December 31, 2024 |                  |                     |                         |                            |
|---------------------------------------------|--------------|------------------------------|------------------------|------------------------|------------------------|------------------------|---------------|----------------|------------------------------------------------------|------------------|---------------------|-------------------------|----------------------------|
| CUSIP                                       | Investment # | Issuer                       | Par Value              | Beginning Book Value   | Ending Book Value      | Market Value           | Maturity Date | Moody's Rating | Current Rate                                         | Annualized Yield | Interest Earned     | Amortization/ Accretion | Adjusted Interest Earnings |
| <b>Medium Term Notes</b>                    |              |                              |                        |                        |                        |                        |               |                |                                                      |                  |                     |                         |                            |
| 6174467X1                                   | 14319        | Morgan Stanley DW DTC#0015   | 500,000.00             | 502,214.06             | 501,731.57             | 500,820.00             | 11/24/2025    | BAA1           | 5.000                                                | 4.558            | 6,250.00            | (482.48)                | 5,767.52                   |
| <b>Federal Agency Coupon Securities</b>     |              |                              |                        |                        |                        |                        |               |                |                                                      |                  |                     |                         |                            |
| 3133EFQT7                                   | 14363        | Fed. Farm Credit Banks       | 2,300,000.00           | 2,301,850.56           | 2,301,448.27           | 2,267,225.00           | 11/25/2025    | AAA            | 2.700                                                | 2.607            | 15,525.00           | (402.30)                | 15,122.70                  |
| <b>Federal Agency Continuously Callable</b> |              |                              |                        |                        |                        |                        |               |                |                                                      |                  |                     |                         |                            |
| 3133EPMQ5                                   | 14691        | Pol Federal Farm Credit Bank | 218,500.00             | 217,066.15             | 217,107.31             | 218,043.34             | 06/16/2033    | AAA            | 5.360                                                | 5.426            | 2,927.90            | 41.16                   | 2,969.06                   |
| 3133EPNL5                                   | 14692        | Pol Federal Farm Credit Bank | 174,800.00             | 173,683.20             | 173,715.19             | 175,042.97             | 06/23/2033    | AAA            | 5.180                                                | 5.243            | 2,263.66            | 31.99                   | 2,295.65                   |
| <b>Preferred Securities</b>                 |              |                              |                        |                        |                        |                        |               |                |                                                      |                  |                     |                         |                            |
| 00206R706                                   | 14593        | AT&T Inc.                    | 1,679,983.20           | 1,679,983.20           | 1,679,983.20           | 1,323,320.10           | N/A           | N/A            | 4.596                                                | 4.609            | 19,516.84           | -                       | 19,516.84                  |
| <b>Pooled Cash</b>                          |              |                              |                        |                        |                        |                        |               |                |                                                      |                  |                     |                         |                            |
|                                             |              |                              | 900,921.90             | 2,044,128.36           | 900,921.90             | 900,921.90             | N/A           | N/A            |                                                      | 2.525            | 11,519.56           | -                       | 11,519.56                  |
| <b>Total</b>                                |              |                              | <b>\$ 5,774,205.10</b> | <b>\$ 6,918,925.53</b> | <b>\$ 5,774,907.44</b> | <b>\$ 5,385,373.31</b> |               |                |                                                      | <b>3.395</b>     | <b>\$ 58,002.96</b> | <b>\$ (811.63)</b>      | <b>\$ 57,191.33</b>        |

|                                                         |                     |
|---------------------------------------------------------|---------------------|
| Total Pooled Cash and Investments (Book Value)          | \$ 5,774,907.44     |
| Gain/Loss on Investments                                | (389,534.13)        |
| <b>Total Pooled Cash and Investments (Market Value)</b> | <b>5,385,373.31</b> |
| Fund 701 Safety Members Pension Fund Cash               | 258,302.00          |
| <b>Total Investments (Market Value) and Cash</b>        | <b>5,643,675.31</b> |



Office of the City Manager

INFORMATION CALENDAR  
June 24, 2025

To: Honorable Mayor and Members of the City Council  
 From: Paul Buddenhagen, City Manager  
 Submitted by: Scott Gilman, Director, Health, Housing, and Community Services  
 Subject: State of Public Health in Berkeley Summary Report

INTRODUCTION

This is the annual update from the Health Officer on the State of Public Health in Berkeley, as required by the Future of Public Health grant.

FISCAL IMPACTS OF POSSIBLE FUTURE ACTION

There are no fiscal impacts directly associated with this update.

CURRENT SITUATION AND ITS EFFECTS

The Department of Health, Housing, and Community Services (HHCS), together with JSI Consulting, initiated work in June 2023 on the City's Community Health Assessment and Improvement Plan process, called the Berkeley Wellness Blueprint. The most recent data available regarding the health status of Berkeley's residents is attached.

Documenting and communicating the health status of community members is an essential function of a Health Officer, and a fundamental step toward identifying and prioritizing steps to improve public health. Additionally, the state's Future of Public Health grant that the City receives requires the Health Officer to provide an update to the community on health status annually. In addition to providing this summary report now, the Public Health Officer will provide a State of Public Health presentation to the Council this fall.

BACKGROUND

A minimum requirement for the Future of Public Health funding is for local health jurisdictions to present annual updates to their Board of Supervisors or City Council.

ENVIRONMENTAL SUSTAINABILITY AND CLIMATE IMPACTS

There are no environmental sustainability and climate impacts associated directly with the content of this summary report.

CONTACT PERSON

Dr. Noemi Doohan, Public Health Officer, HHCS, 510-981-5308

Attachment:

1: Dashboard Summary

# 2025 Annual Update

## State of Berkeley's Population Health

The Public Health Officer's Unit compiles and updates this data using available sources and the latest data. Much of this data is available in the [Community Health Assessment](#) of the [Berkeley Wellness Blueprint Project](#).

### **Every population is diverse and unique in it's own way**

The population of the City of Berkeley continues to grow. Our community includes people of different races, ethnicities, languages spoken, ages, socioeconomic status, and education levels. It is home to the world-renown University of California, Berkeley. Approximately one-third of Berkeley's overall population are students and staff associated with the university.

# 120,223

**People**

## **Total Population**

Berkeley, CA

# 32.9

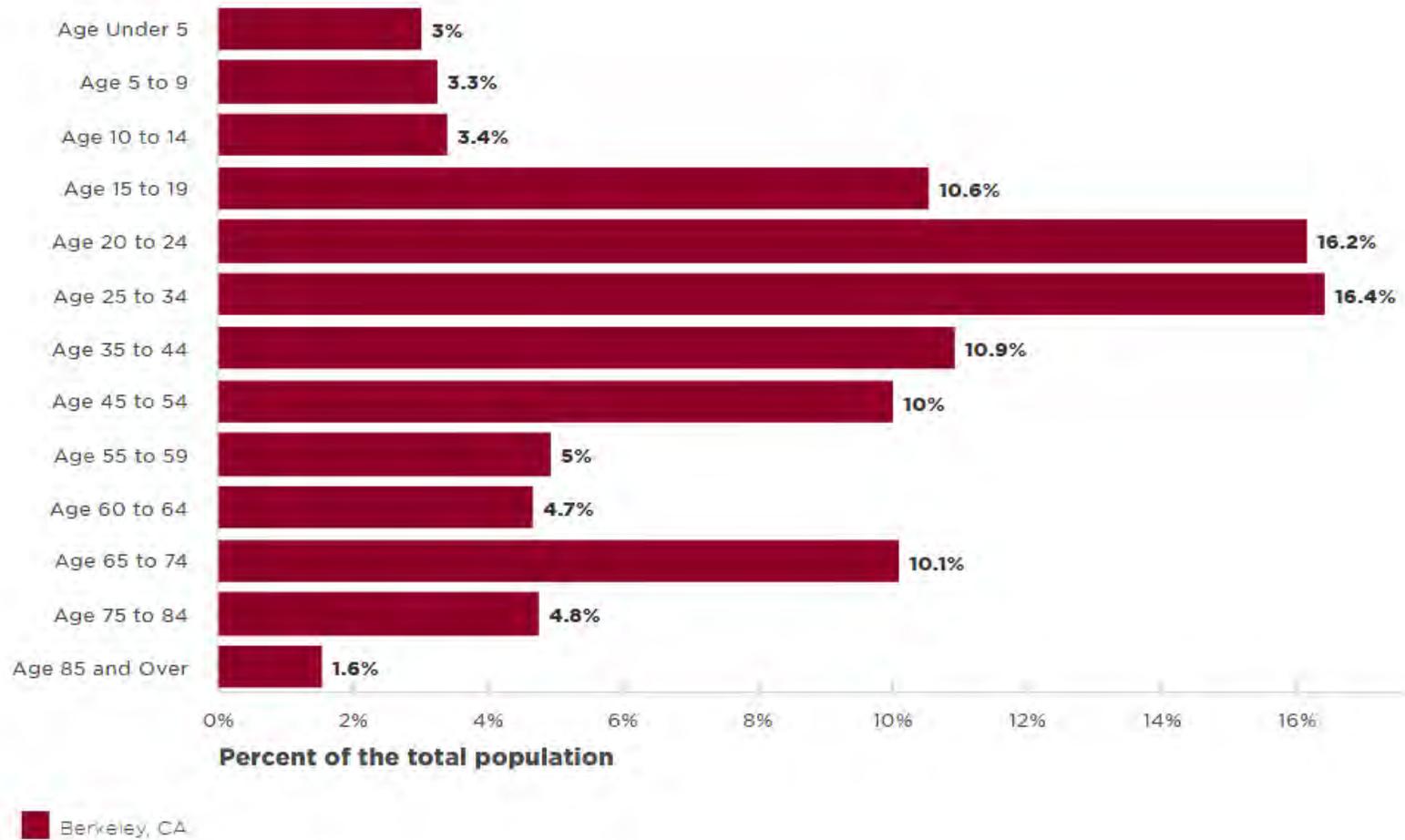
**Years**

## **Median Age**

Berkeley, CA

*Sources: US Census Bureau ACS 5-year 2019-2023*

### Berkeley is home to people of all ages including a large number of university students



Sources: US Census Bureau ACS 5-year 2019-2023

## Cultural and Linguistic Diversity

Close to half (48%) of Berkeley's population identifies as a race other than white. Over 20% of the population in Berkeley are immigrants that speak a number of different languages. Although many are also able to speak English, 6.4% of Berkeley residents are limited in their English proficiency. Some of the other languages spoken in Berkeley include Spanish, Indo-European languages and languages from Asia and the Pacific Islands.


**21.3%**  
 of People  
**Immigrant Population**  
 Berkeley, CA

**6%**  
 of People ages 5+  
**Limited English Proficiency**  
 Berkeley, CA

Sources: US Census Bureau ACS 5-year 2019-2023

Note: Limited English Proficiency is defined as speaking English less than "very well."

**83**

**Years**

**Life Expectancy at Birth**

Berkeley, CA

**\$108,558**

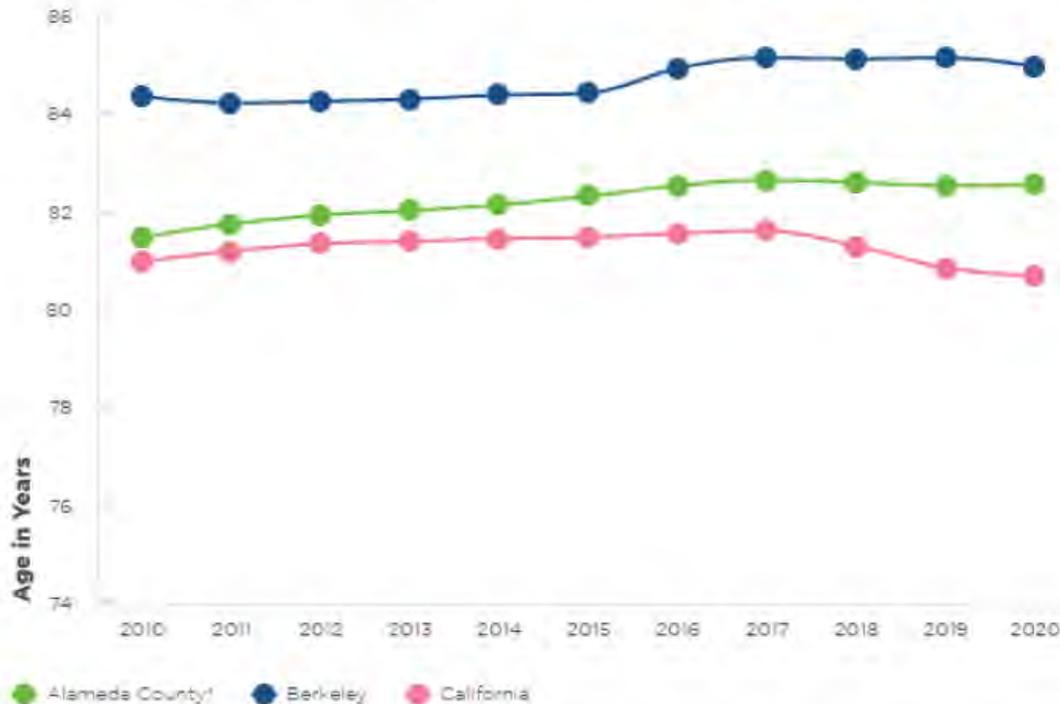
**USD**

**Median Household Income**

Berkeley, CA

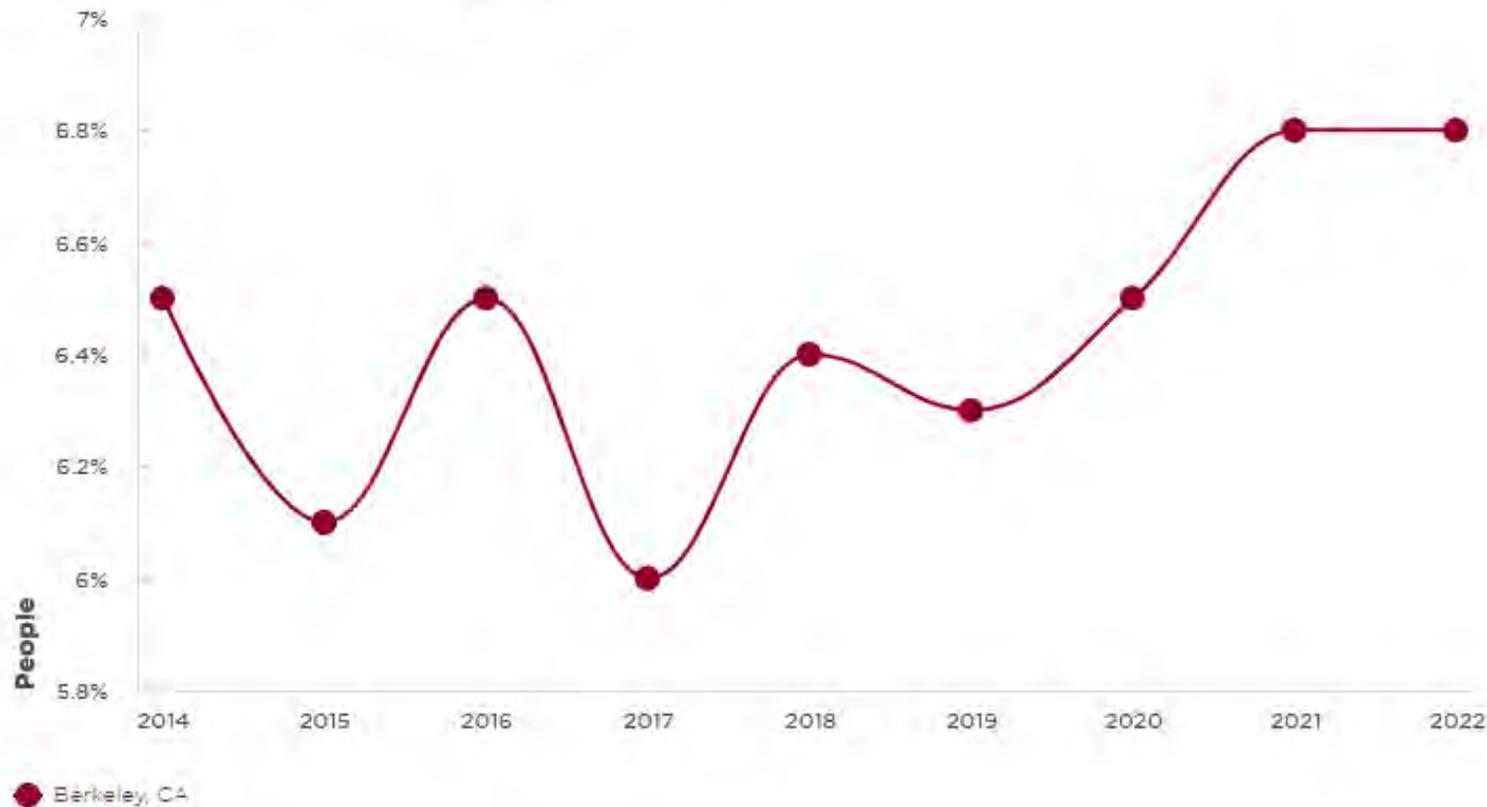
Sources: CDC NCHS USALEEP 2010-2015; US Census Bureau ACS 5-year 2019-2023

**Life Expectancy at Birth in Berkeley, Alameda County and California**



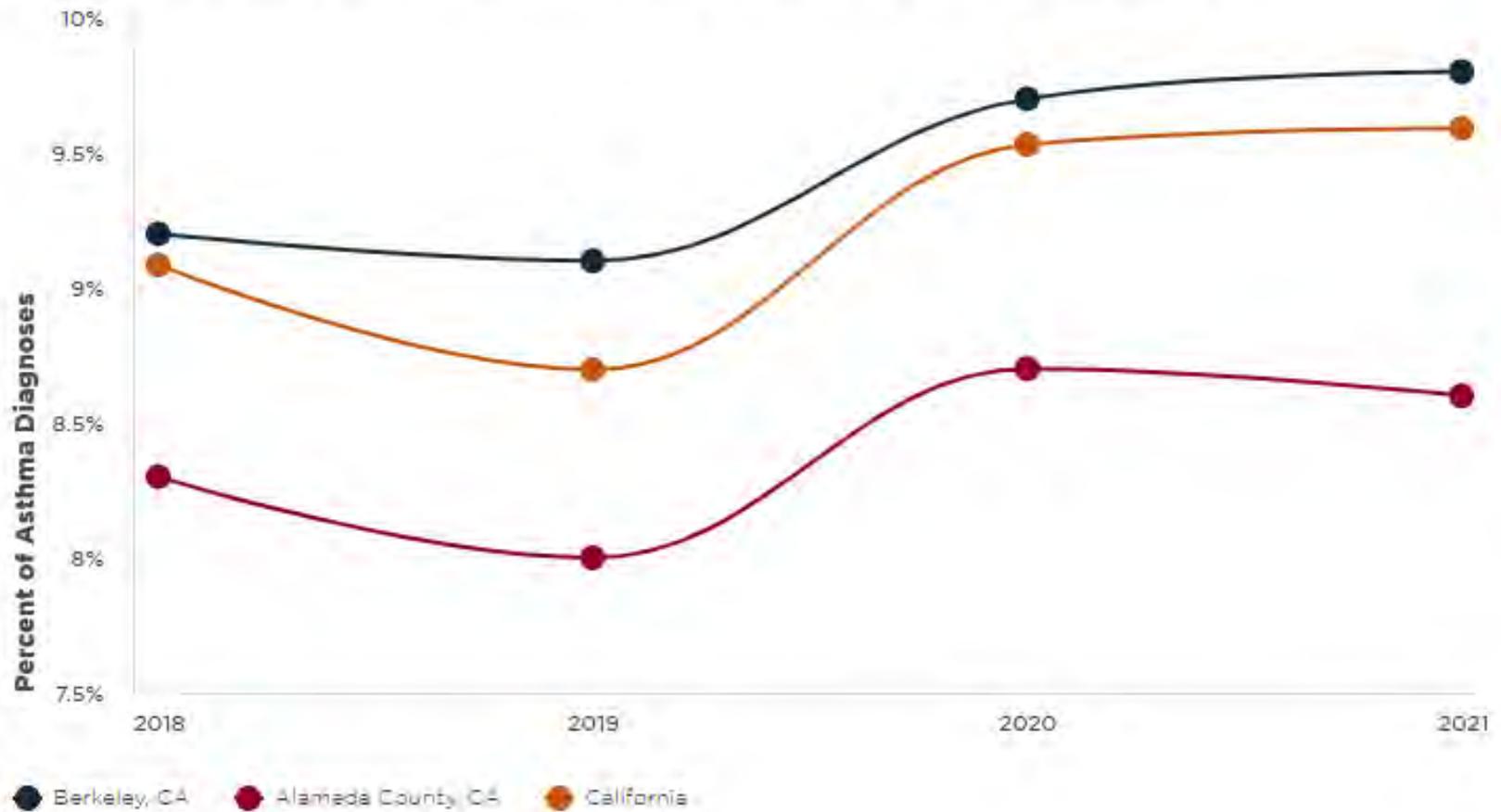
Source: California Department of Public Health, California Community Burden of Disease and Cost Engine  
\*Estimates are for Alameda County excluding Berkeley

### Diagnosed Diabetes Among Adults



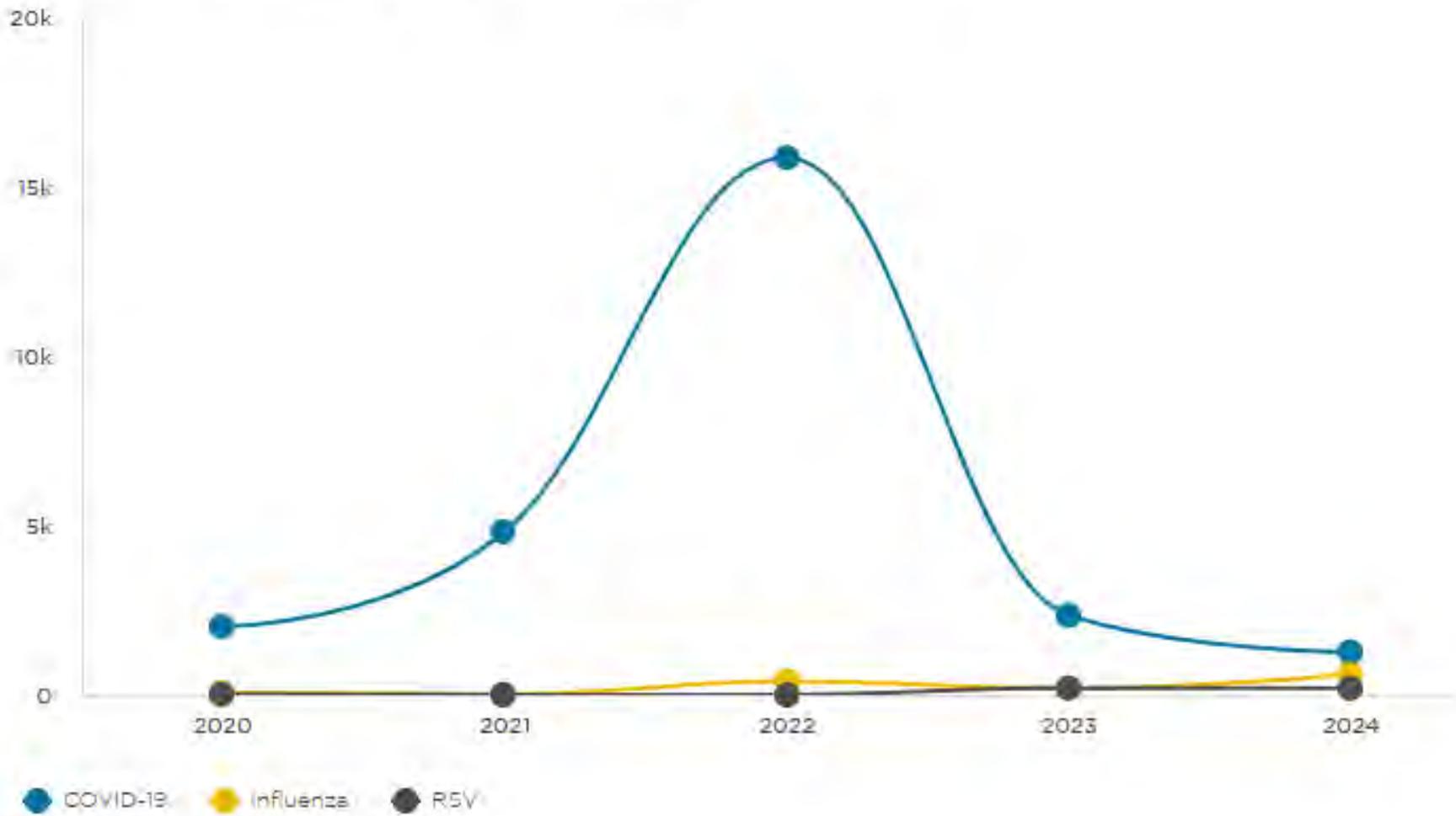
Sources: CDC BRFSS 500 Cities; CDC BRFSS PLACES

### Adults Who Were Ever Diagnosed with Asthma by Year in Berkeley



Sources: CDC BRFSS 500 Cities; CDC BRFSS PLACES

### Respiratory Morbidity, City of Berkeley, 2020-2024

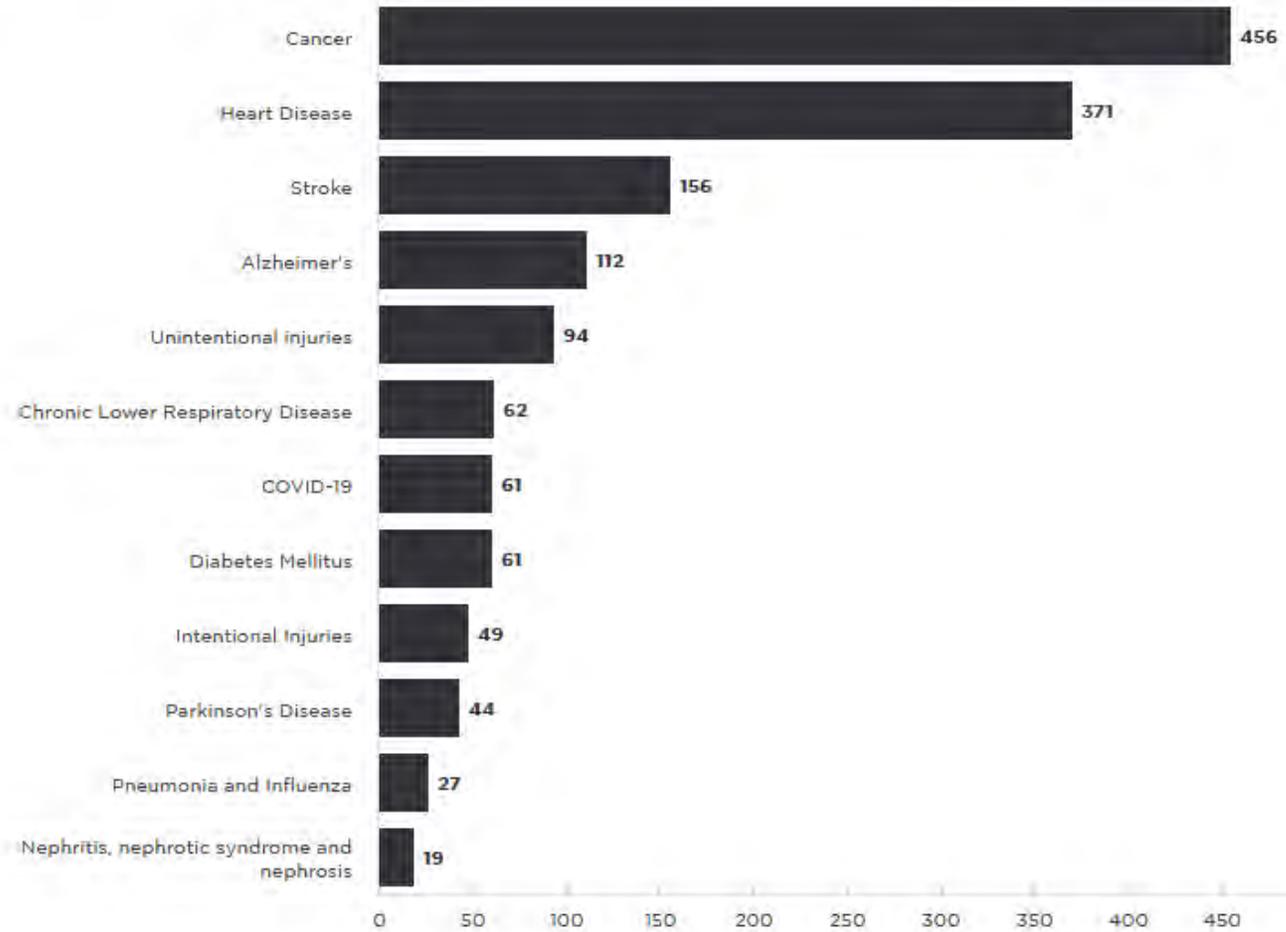


Source: City of Berkeley, PHOU

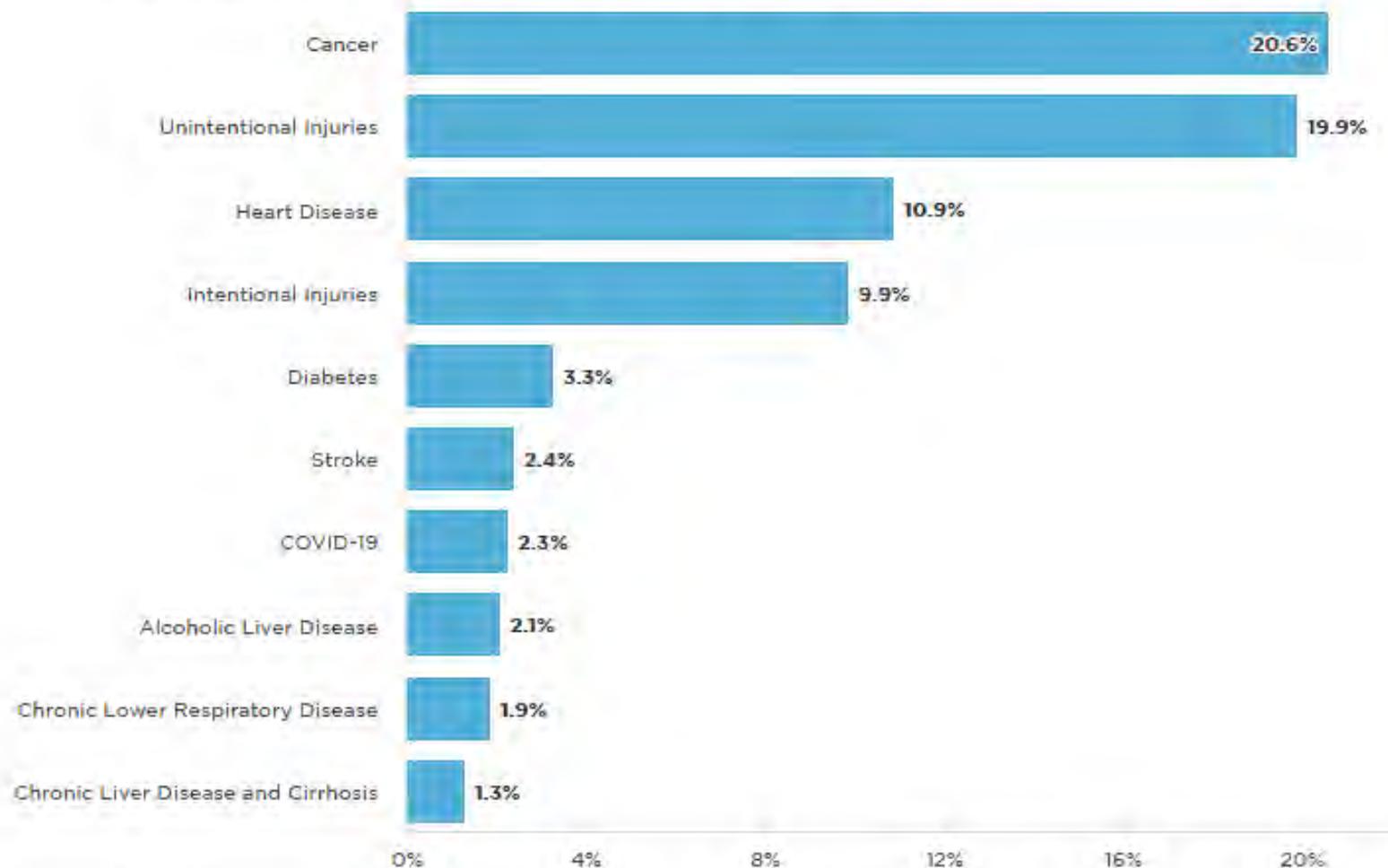
### Leading Causes of Death, City of Berkeley, 2020-2022

Source: City of Berkeley, Vital Statistics, 2020-2022

#### Overall (Total = 2026)



### Years of Potential Life Lost (YPLL) Before Age 75 by Cause of Death

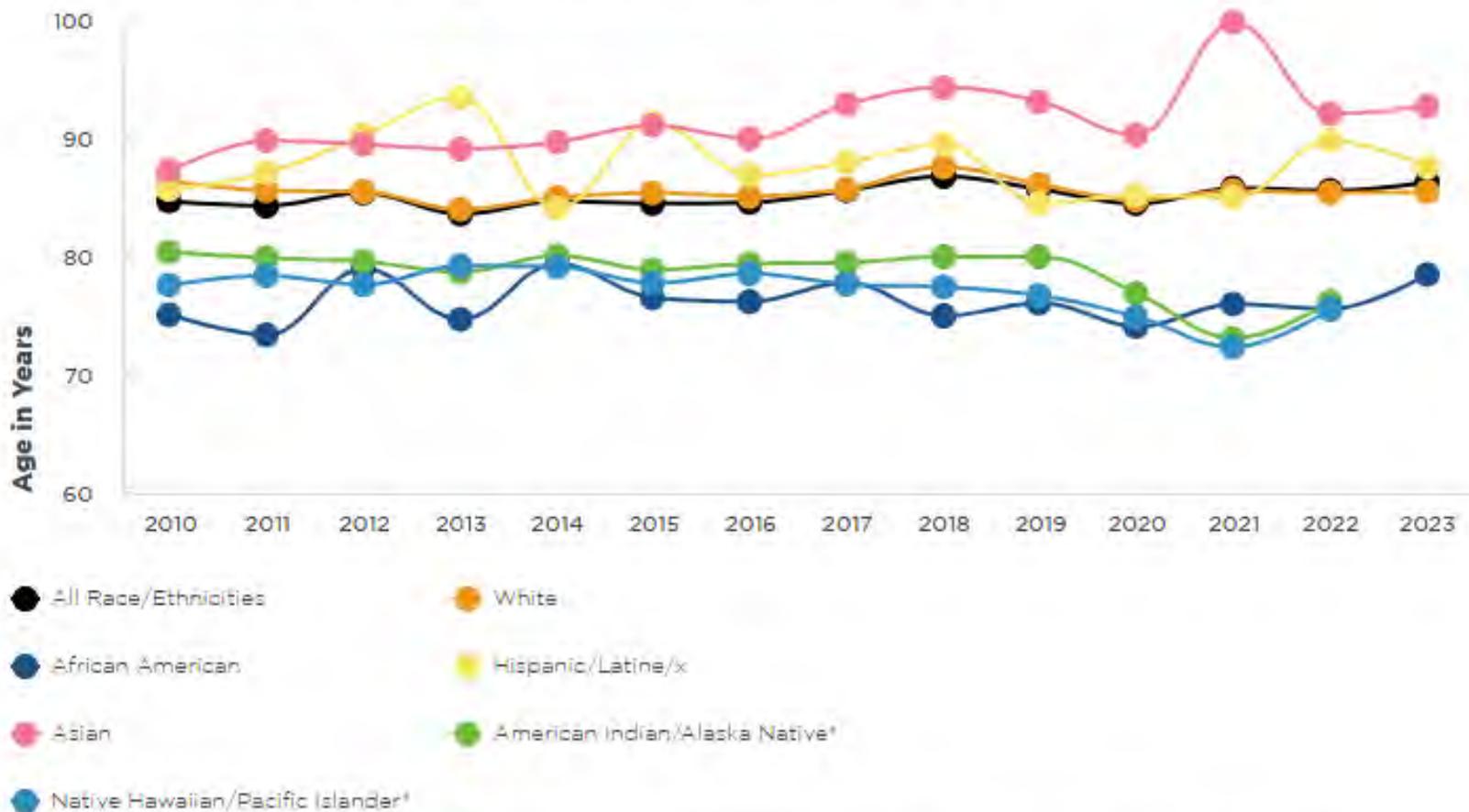


Source: City of Berkeley, Public Health Office Unit, Death Certificate Data 2020-2022

## **Berkeley as a whole is relatively healthy but disparities exist among different subpopulations**

Overall, the life expectancy of Berkeley residents has remained consistently higher than those of Alameda County and California. However differences in health behaviors and health outcomes by geographic location in and race/ethnicity present challenges for subpopulations within Berkeley. Census tracts in the Northeast quadrant of Berkeley known to be socio-economically more advantaged smoke less, have more time to exercise and visit the doctor more regularly than residents in other parts of the city.

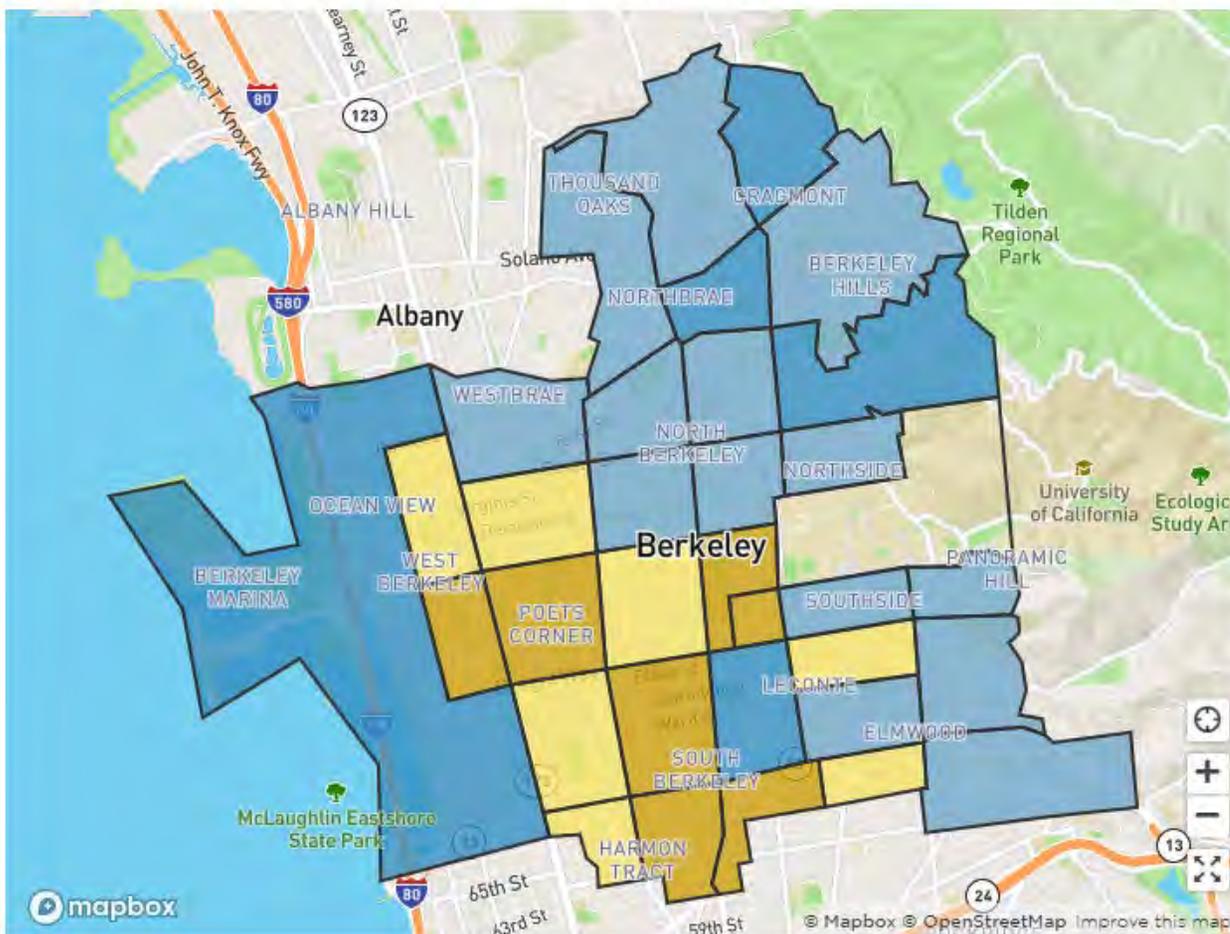
### Life Expectancy at Birth by Race/Ethnicity in Berkeley



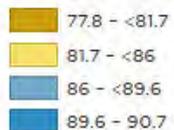
Source: City of Berkeley Public Health Officer Unit, Epidemiology & Vital Statistics, US Census Bureau

\* Due to small population sizes, life expectancy estimates presented for American Indian/Alaska Native and Native Hawaiian/Pacific Islander are based on data for the entire State of California.

### Life Expectancy at Birth by Census Tract, 2019-2023

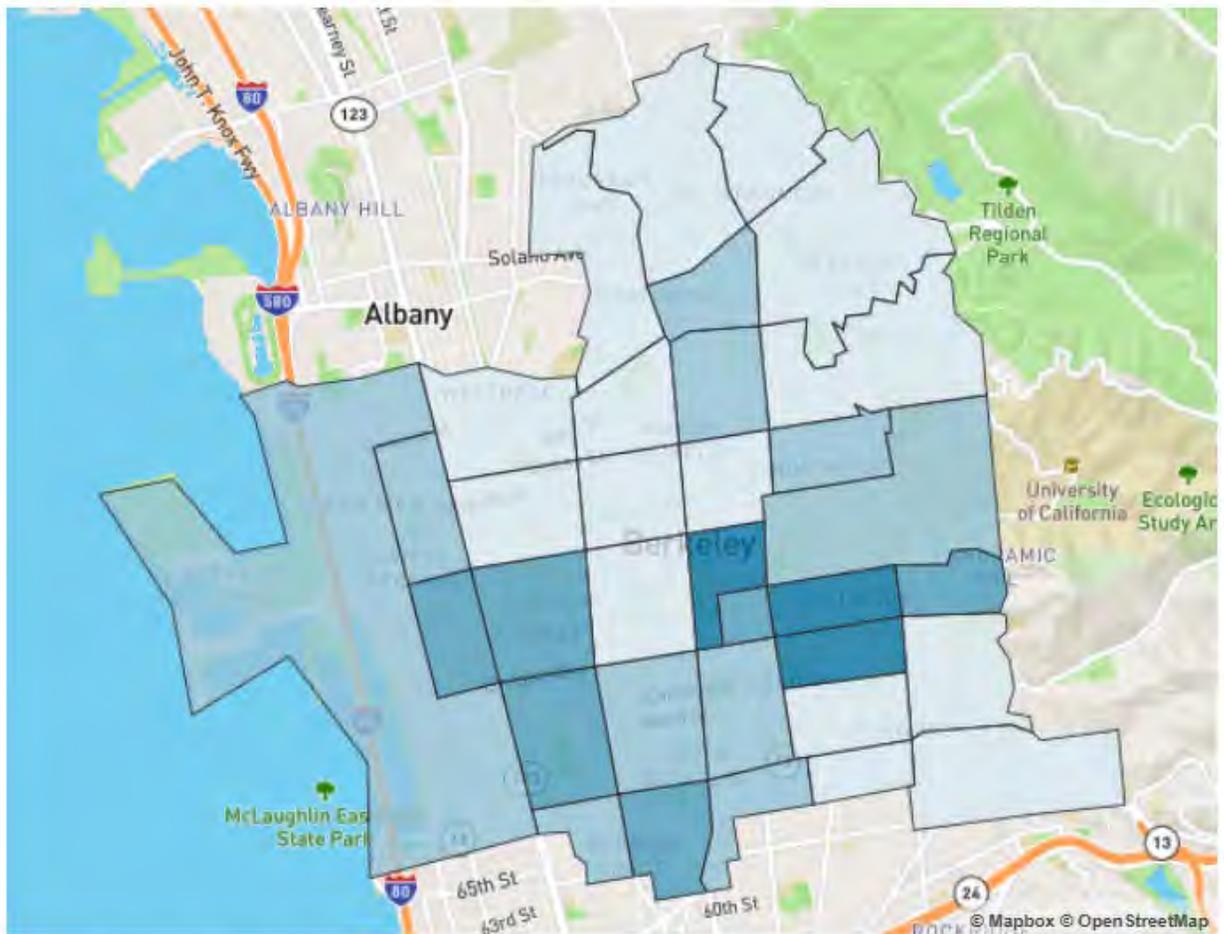


**Life Expectancy at Birth**



*City of Berkeley Public Health Officer Unit, Epidemiology and Vital Statistics, U.S. Census Bureau*

### There is a Higher Percent of Adults in Fair or Poor General Health in West and South Berkeley

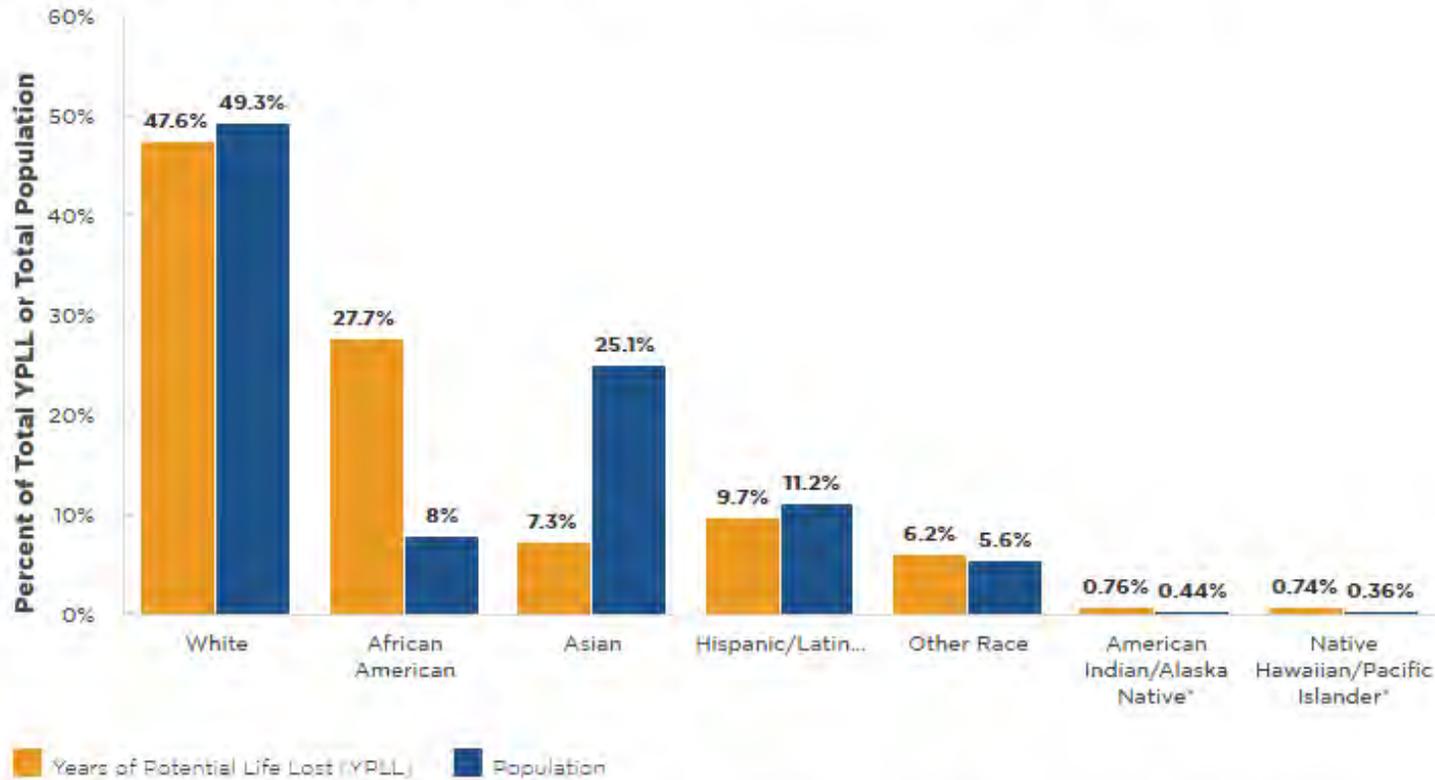


Fair or Poor General Health Among Adults

- 9.1% - <12.4%
- 12.4% - <15%
- 15% - <18.9%
- 18.9% - 20.8%

Sources: CDC BRFSS PLACES 2022

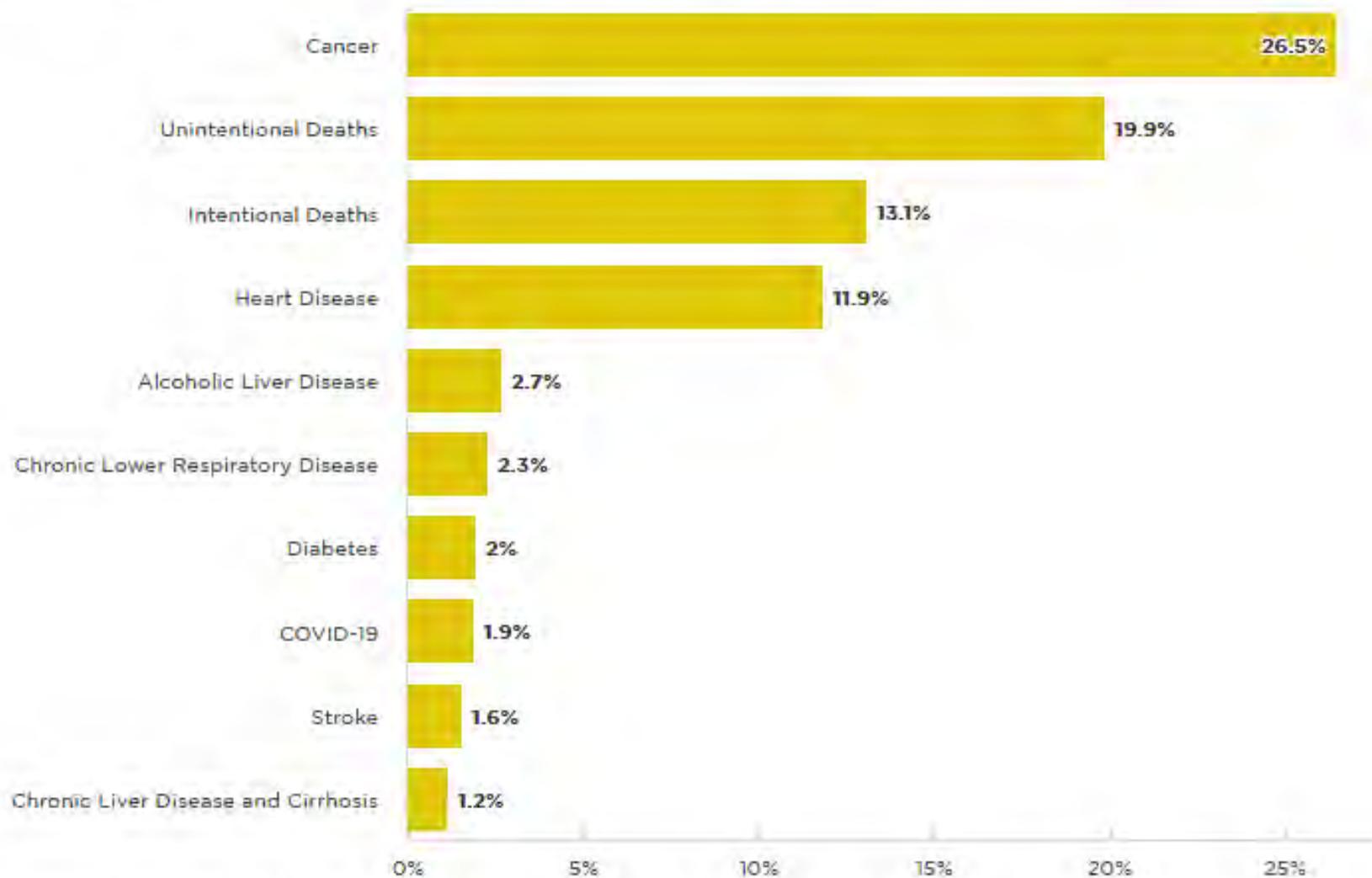
### African Americans in Berkeley Experience a Disproportionate Number of Years of Potential Life Lost



Source: City of Berkeley Public Health Officer Unit, Epidemiology & Vital Statistics, 2020-2022; US Census Bureau, 2020-2022; California Department of Public Health, California Community Burden of Disease and Cost Engine, 2020-2022

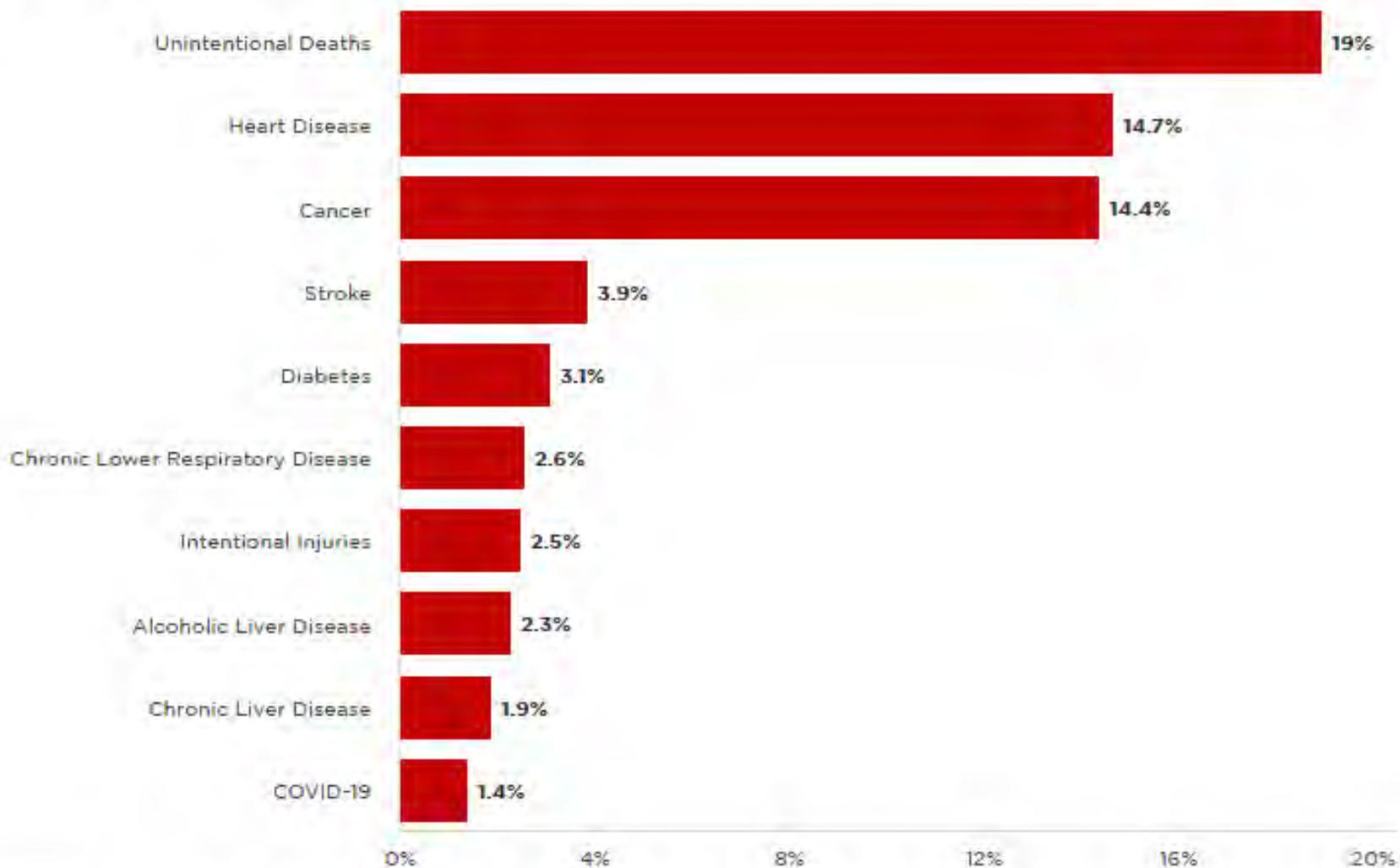
\* Due to small number of deaths, estimates of years of potential life lost for American Indian/Alaska Native and Native Hawaiian/Pacific Islander are based on data for the entire state of California.

### Years of Potential Life Lost (YPLL) Before Age 75 by Cause of Death Among Whites



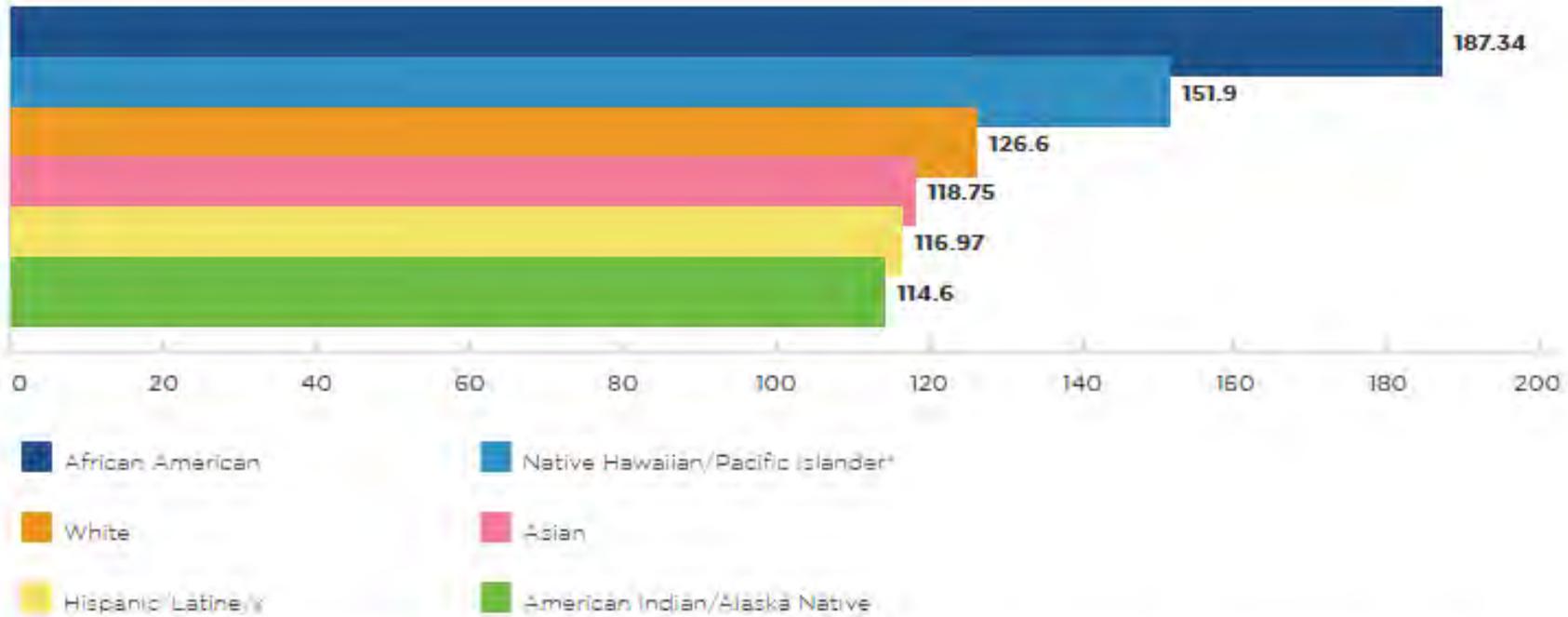
Source: Public Health Officer Unit, City of Berkeley, Death Certificates 2020-2022

### Years of Potential Life Lost (YPLL) Before Age 75 by Cause of Death Among African Americans



Source: Public Health Officer Unit, City of Berkeley, Death Certificates 2020-2022

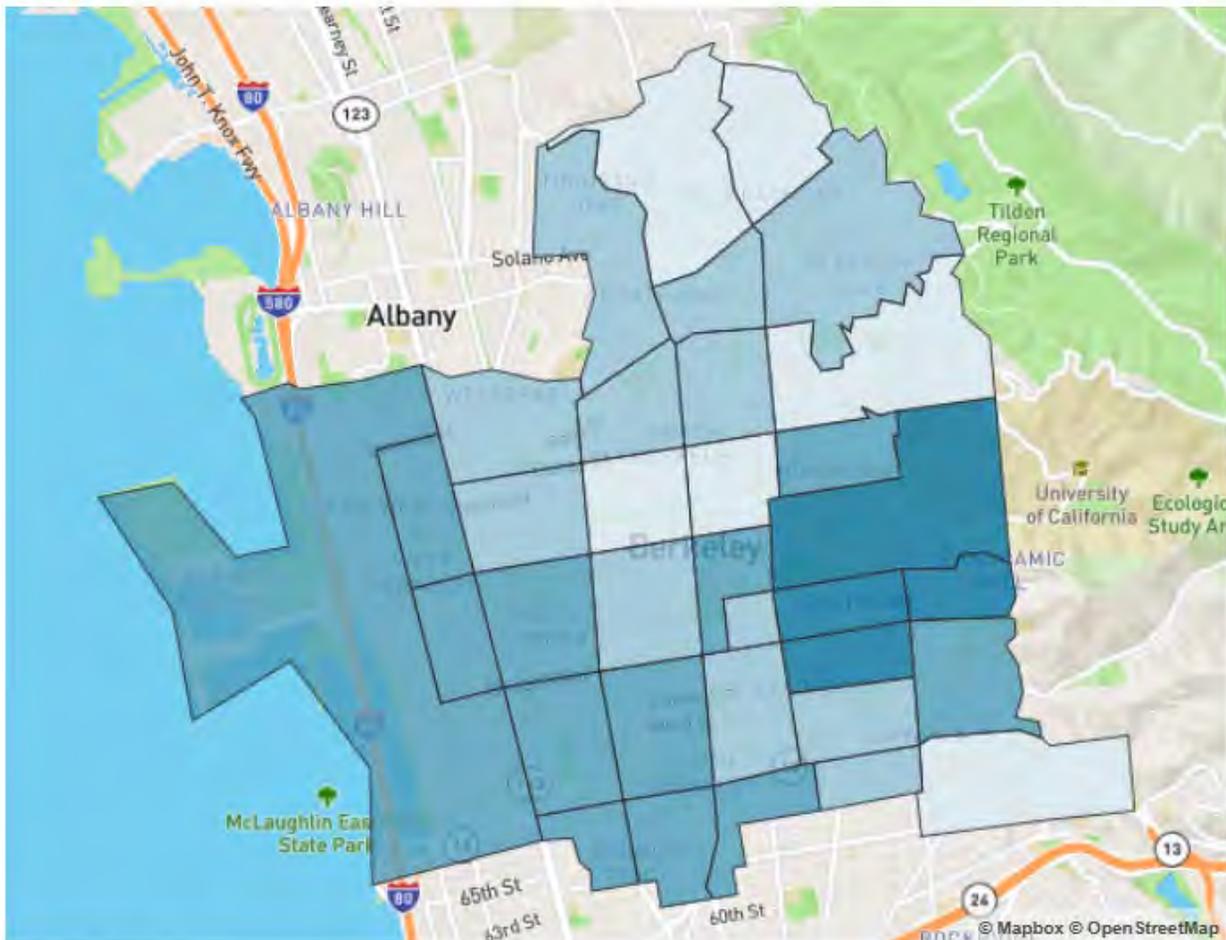
### Higher Rates of Cancer Deaths Among African American Residents in Berkeley



Source: City of Berkeley Public Health Officer Unit, Epidemiology & Vital Statistics, 2020-2022; US Census Bureau, 2020-2022; California Department of Public Health, California Community Burden of Disease and Cost Engine, 2020-2022

\* Due to small number of deaths due to cancer, estimates for Native Hawaiian/Pacific Islander are based on data for the entire state of California.

### More Adults in West, South and Central Berkeley Have Asthma than in North Berkeley



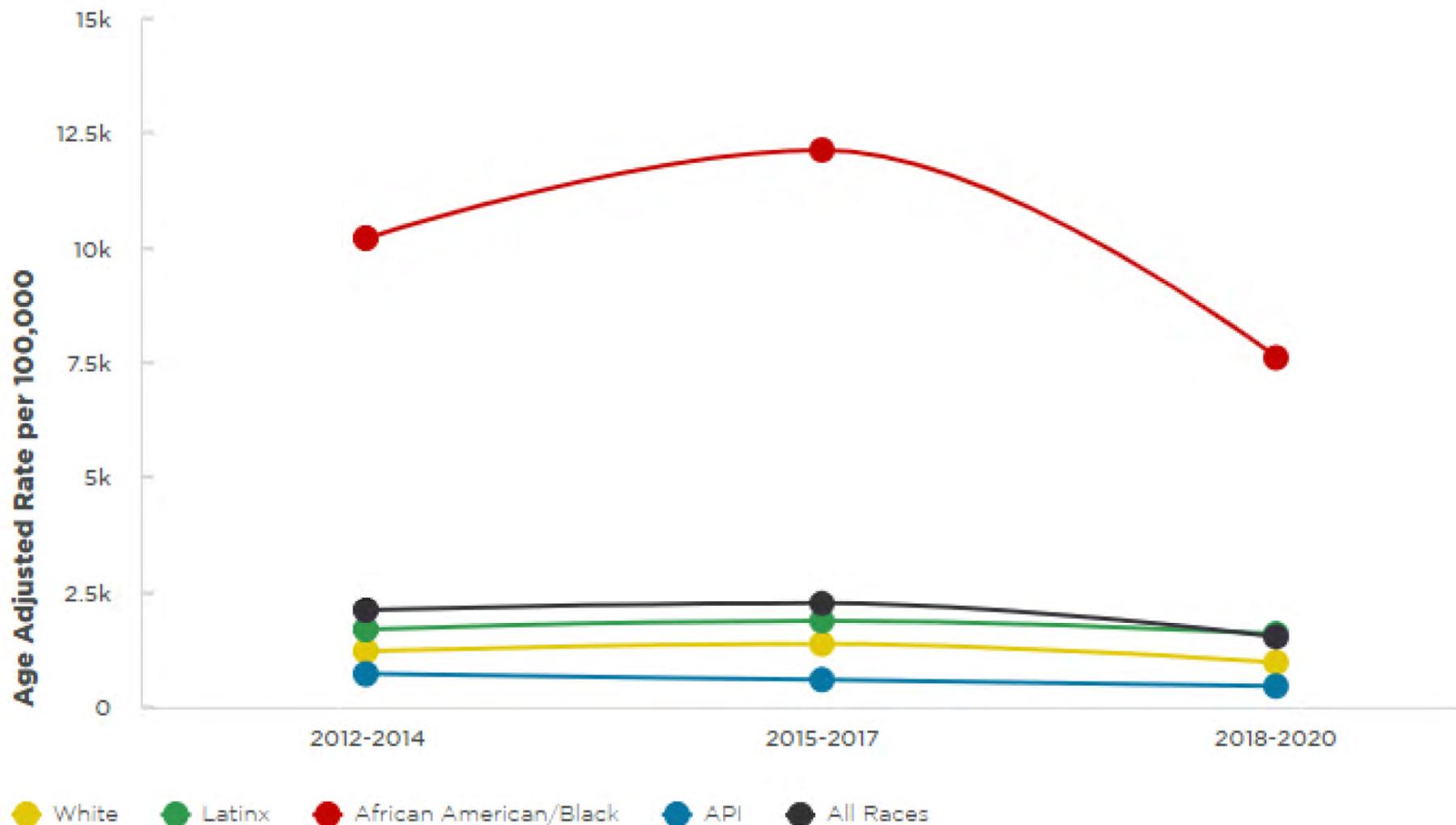
**Asthma Among Adults**

- 8.4% - <9.2%
- 9.2% - <9.9%
- 9.9% - <10.8%
- 10.8% - 11.7%

Sources: CDC BRFSS PLACES 2022

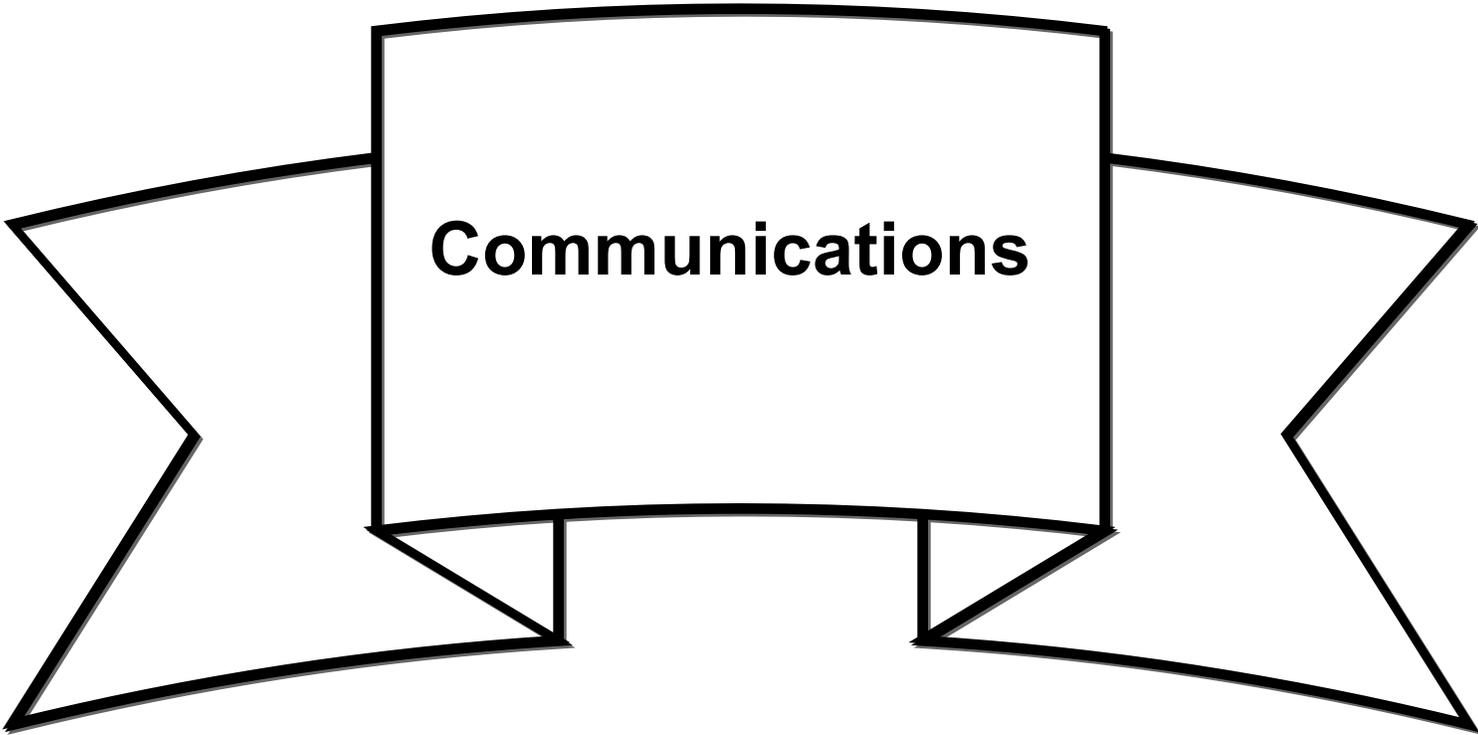
June 24, 2025 State of Public Health in Berkeley Summary Report

### Adult Asthma Emergency Room Visit Rates by Race/Ethnicity and Year of Hospitalization



Source: City of Berkeley, California Department of Health Care Access and Information, 2012-2020





# Communications

All communications submitted to the City Council are public record. Communications are not published directly to the City's website. Copies of individual communications are available for viewing at the City Clerk Department and through Records Online.

## **City Clerk Department**

2180 Milvia Street  
Berkeley, CA 94704  
(510) 981-6900

## **Records Online**

<https://records.cityofberkeley.info/>

To search for communications associated with a particular City Council meeting using Records Online:

1. Select Search Type = “Public – Communication Query (Keywords)”
2. From Date: Enter the date of the Council meeting
3. To Date: Enter the date of the Council meeting (this may match the From Date field)
4. Click the “Search” button
5. Communication packets matching the entered criteria will be returned
6. Click the desired file in the Results column to view the document as a PDF