

Councilmember Ben Bartlett

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CONSENT CALENDAR February 26th, 2019

To: Honorable Mayor and Members of the City Council

From: Councilmembers Ben Bartlett, Sophie Hahn and Cheryl

Davila

Subject: Ensuring the Sustainability of the Berkeley Flea Market

RECOMMENDATION

Short-term referral to the City Manager to provide material and strategic assistance to the Berkeley Flea Market, to sustain and enhance its ability to serve both merchant participants and the community at large.

CURRENT SITUATION

The Berkeley Flea Market is struggling financially, as a result, the board members of the Community Services United (CSU)--the Berkeley nonprofit organization that runs the Market--have decided to shut down the market for the months of February and March. During this break, the CSU intends to create a plan to reinvigorate the market. The Market currently faces the risk of being shut down permanently, unless a sustainable path to solvency is discovered and enacted.

BACKGROUND

The Berkeley Flea Market is a community institution, providing pathways to entrepreneurship, a celebration of diversity and cultural expression, a community meeting place, and opportunities for reuse and recycling. The Market has contributed to the vitality of South Berkeley for nearly 50 years.

In late 2018, the Market suffered from reduced revenues due to smoke from the Camp Fire and extended rainy weekends. One rainy day easily contributes to a loss of an entire weekend's earnings. As a result, the Market is in a dire financial situation and is unable to cover its regular expenses—including rent, insurance, and portable toilets. These elements are the backbone to the market and facilitate small business activity and contribute to creation of community.

The City of Berkeley can and should provide assistance to the Berkeley Flea Market including capacity building, developing a business plan, marketing, and exploring

alternate locations in the public right of way near their current location that will reduce costs for the Market and boost its visibility.

REVIEW OF EXISTING PLANS, PROGRAMS, POLICIES, AND LAWS

The Market will be shut down this upcoming February and March. In the meantime, the board members of CSU are implementing new plans to temporarily alleviate the situation during their two-month break. One existing plan is to share and/or sublet a part of their office space with another individual or group of people in need of a space to work. Sharing the space will split the rent in half and thus, provide CSU with an extra thousand dollar to save.

ACTIONS/ALTERNATIVES CONSIDERED

A potential alternative is to find an alternate location that is not only cheaper, but also physically visible and accessible. Exploring different venue options can and should be supported by the efforts of the City of Berkeley due to the amount of resources it has.

Some have also introduced the idea of increasing the space rental fees for vendors, but this alternative only shifts the CSU's financial crisis onto the backs of those whose income roots itself in their businesses at the Market. The market is designed for working class and poor people to be their own bosses and make a living, and increasing the space rental fees will deter vendors from selling at the market and further interfere with CSU's plans towards building sustainability.

OUTREACH OVERVIEW AND RESULTS

This past December, the board members of CSU initiated a GoFundMe campaign in order to pay their rent and manage the administration of the market. Aiming to receive support from community members, nonprofit organizations and neighborhood associations, and the people who frequently visit the Berkeley Flea Market, the campaign only raised \$2,654 of its \$20,000 goal. Unfortunately, this only covers about a month's worth of the Board's expenses. CSU needs an effective and immediate plan that goes beyond a fundraising campaign and will continuously sustain both the market and those whose income is primarily from their service as a vendor.

RATIONALE FOR RECOMMENDATION

The Berkeley Flea Market is on the verge of closing. Not only will its closing disrupt the Market's long years of creative collaboration and community building, but also it will negatively impact the lives of the working class and poor people who are the primary owners of the Market's diverse number of businesses. Therefore, the City of Berkeley needs to use their resources to help ensure the sustainability of the Market.

Page 3 of 3

IMPLEMENTATION, ADMINISTRATION AND ENFORCEMENT

The Council should refer to the City Manager to provide assistance to the Berkeley Flea Market. The City Manager should then create a plan to further discuss with the board members of CSU on how to proceed.

In addition, all Councilmembers should assist with outreach by informing the community and their networks about the Market's search for an individual or group of people in need of a shared office space.

FISCAL IMPACTS OF RECOMMENDATION

Staff time and other costs associated with special events.

ENVIRONMENTAL SUSTAINABILITY

No negative impact.

OUTCOMES AND EVALUATION

It is expected that the City of Berkeley will assist CSU with sustaining the Berkeley Flea Market and as a result, there will be a newly created, but effective business model that will solve their financial crisis.

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