



**BERKELEY CITY COUNCIL HEALTH, LIFE ENRICHMENT, EQUITY &  
COMMUNITY COMMITTEE  
SPECIAL MEETING**

**Friday, July 25, 2025  
10:00 AM**

Cypress Room – 2180 Milvia Street, 1st Floor, Berkeley, CA 94704  
Teleconference Location – Türkmen Mah. Ünlü sok. No. 6 Kuşadası, Aydın, Türkiye

Committee Members:

Councilmembers Ben Bartlett, Igor Tregub, and Shoshana O'Keefe  
Alternate: Councilmember Terry Taplin

This meeting will be conducted in a hybrid model with both in-person attendance and virtual participation. All Committee meetings are recorded.

Use this URL <https://cityofberkeley-info.zoomgov.com/j/1604095921> to access the meeting remotely. 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: 160 409 5921**. To provide public comment, press \*9 and wait to be recognized by the Chair. To submit a written communication for the Committee’s consideration and inclusion in the public record, email [policycommittee@berkeleyca.gov](mailto:policycommittee@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.

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.

**California 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.

# AGENDA

## Roll Call

## Minutes for Approval

*Draft minutes for the Committee's consideration and approval.*

### 1. Minutes - April 23, 2025

## Committee Action Items

*The public may comment on each item listed on the agenda for action as the item is taken up. The Chair will determine the number of persons interested in speaking on each item. Up to ten (10) speakers may speak for two minutes. If there are more than ten persons interested in speaking, the Chair may limit the public comment for all speakers to one minute per speaker.*

*Following review and discussion of the items listed below, the Committee may continue an item to a future committee meeting, or refer the item to the City Council.*

### 2. Discussion Item: Children's Hospital of Oakland Labor Matter From: Councilmember Tregub Contact: Igor Tregub, Councilmember, District 4, (510) 981-7140

## Unscheduled Items

*These items are not scheduled for discussion or action at this meeting. The Committee may schedule these items to the Action Calendar of a future Committee meeting.*

### 3. Small Business Support Act

**From: Councilmember Bartlett (Author)**

**Recommendation:** That the City Manager and Finance Department amend the City of Berkeley business license process and requirements to promote transparency between the City and small business owners and lower burdensome barriers to entry for new business owners. Such amendments shall include the following:

1. Establish a business license amnesty program
2. Establish a Small Business Support and Retention Emergency Grant
3. Create a Small Business Ombudsman
4. Promote greater transparency about the business licensing process.

These actions will support small business creation and retention. The close relationship between the people of Berkeley, our small businesses, and the City is essential to making our community thrive.

**Financial Implications:** See Report

Contact: Ben Bartlett, Councilmember, District 3, (510) 981-7130

### 4. Discussion Item: Impact Bond

**From: Councilmember Bartlett (Author)**

Contact: Ben Bartlett, Councilmember, District 3, (510) 981-7130

## Unscheduled Items

5. **Discussion Item: Sutter Health East Bay Expansion**  
**From: Councilmember Tregub**  
Contact: Igor Tregub, Councilmember, District 4, (510) 981-7140
6. **Discussion Item: Specialized Care Unit**  
**From: Councilmember Bartlett**  
Contact: Ben Bartlett, Councilmember, District 3, (510) 981-7130
7. **Discussion Item: Mental Health Services in Berkeley**  
**From: Councilmember Bartlett**  
Contact: Ben Bartlett, Councilmember, District 3, (510) 981-7130

## Items for Future Agendas

- **Requests by Committee Members to add items to the next agenda**
- **Discussion of future hearings and open forums**

## Adjournment

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*Written communications addressed to the Health, Life Enrichment, Equity & Community Committee and submitted to the City Clerk Department will be distributed to the Committee in advance of the meeting and retained as part of the official record.*

*This meeting will be conducted in accordance with the Brown Act, Government Code Section 54953 and applicable Executive Orders as issued by the Governor that are currently in effect. Members of the City Council who are not members of the standing committee may attend a standing committee meeting even if it results in a quorum being present, provided that the non-members only act as observers and do not participate in the meeting. If only one member of the Council who is not a member of the committee is present for the meeting, the member may participate in the meeting because less than a quorum of the full Council is present. Any member of the public may attend this meeting. Questions regarding public participation may be addressed to the City Clerk Department (510) 981-6900.*



### 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.

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I hereby certify that the agenda for this meeting of the Standing Committee 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 July 17, 2025.



Mark Numainville, City Clerk

## **Communications**

*Communications submitted to City Council Policy Committees are on file in the City Clerk Department at 2180 Milvia Street, 1st Floor, Berkeley, CA, and are available upon request by contacting the City Clerk Department at (510) 981-6908 or [policycommittee@berkeleyca.gov](mailto:policycommittee@berkeleyca.gov).*



**BERKELEY CITY COUNCIL HEALTH, LIFE ENRICHMENT, EQUITY &  
COMMUNITY COMMITTEE  
SPECIAL MEETING MINUTES**

**Wednesday, April 23, 2025  
3:45 PM**

Redwood Room – 2180 Milvia Street, 6th Floor, Berkeley, CA 94704  
Teleconference Location - 9175 Lark Street, Elk Grove, CA 95624

Committee Members:

Councilmembers Ben Bartlett, Igor Tregub, and Shoshana O’Keefe  
Alternate: Councilmember Terry Taplin

This meeting will be conducted in a hybrid model with both in-person attendance and virtual participation. All Committee meetings are recorded.

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## MINUTES

**Roll Call:** 3:55 p.m.

**Present:** Bartlett, Tregub, O'Keefe

**Absent:** None

### Minutes for Approval

*Draft minutes for the Committee's consideration and approval.*

**1. Minutes - March 19, 2025**

**Action:** M/S/C (Bartlett/O'Keefe) to approve the March 19, 2025 minutes.

**Vote:** All Ayes.

### Committee Action Items

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*Following review and discussion of the items listed below, the Committee may continue an item to a future committee meeting, or refer the item to the City Council.*

## Committee Action Items

2. **Alternative Housing Options for People Experiencing Homelessness**  
**From: Councilmember O'Keefe (Author), Mayor Ishii (Co-Sponsor), Councilmember Blackaby (Co-Sponsor), Councilmember Lunaparra (Co-Sponsor)**

**Referred: April 1, 2025**

**Due: September 22, 2025**

**Recommendation:** Refer to the City Manager a request for staff to identify a list of potential locations of City properties (such as parking lots, buildings, and other sites) and private properties (to be leased or acquired) – for the purpose of establishing alternative housing options 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.

**Financial Implications:** Staff time

Contact: Shoshana O'Keefe, Councilmember, District 5, (510) 981-7150

**Action:** 40 speakers. M/S/C (Tregub/Bartlett) to 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 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.*

## Committee Action Items

*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*
  - o 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.*
  - o Measure W funding presents an opportunity to support not just direct services but also nonprofit infrastructure, helping organizations improve long-term sustainability.*
  - o Considerations include ensuring competitive wages, investing in staff retention strategies, and providing operational support.*
  - o 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.*

**Vote:** All Ayes.

## Unscheduled Items

*These items are not scheduled for discussion or action at this meeting. The Committee may schedule these items to the Action Calendar of a future Committee meeting.*

### 3. **Small Business Support Act**

**From: Councilmember Bartlett (Author)**

**Recommendation:** That the City Manager and Finance Department amend the City of Berkeley business license process and requirements to promote transparency between the City and small business owners and lower burdensome barriers to entry for new business owners. Such amendments shall include the following:

1. Establish a business license amnesty program
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3. Create a Small Business Ombudsman
4. Promote greater transparency about the business licensing process.

These actions will support small business creation and retention. The close relationship between the people of Berkeley, our small businesses, and the City is essential to making our community thrive.

**Financial Implications:** See Report

Contact: Ben Bartlett, Councilmember, District 3, (510) 981-7130

### 4. **Discussion Item: Impact Bond**

**From: Councilmember Bartlett (Author)**

Contact: Ben Bartlett, Councilmember, District 3, (510) 981-7130

### 5. **Discussion Item: Sutter Health East Bay Expansion**

**From: Councilmember Tregub**

Contact: Igor Tregub, Councilmember, District 4, (510) 981-7140

### 6. **Discussion Item: Specialized Care Unit**

**From: Councilmember Bartlett**

Contact: Ben Bartlett, Councilmember, District 3, (510) 981-7130

### 7. **Discussion Item: Mental Health Services in Berkeley**

**From: Councilmember Bartlett**

Contact: Ben Bartlett, Councilmember, District 3, (510) 981-7130

## Items for Future Agendas

- None

## Adjournment

**Action:** M/S/C (O'Keefe/Bartlett) to adjourn the meeting

**Vote:** All Ayes.

Adjourned at 5:39 p.m.

I hereby certify that the foregoing is a true and correct record of the Health, Life Enrichment, Equity & Community Committee meeting held on April 23, 2025.

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Wendy Sorensen, Assistant City Clerk

### **Communications**

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No Material  
Available for  
this Item

There is no material for this item.

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

**The City of Berkeley Health, Life Enrichment, Equity & Community Policy Committee Webpage:**  
<https://berkeleyca.gov/your-government/city-council/council-committees/policy-committee-health-life-enrichment-equity-community>





[DRAFT] CONSENT CALENDAR

To: Honorable Mayor and Members of the City Council  
 From: Councilmember Ben Bartlett  
 Subject: Small Business Support Act

**RECOMMENDATION**

That the City Manager and Finance Department amend the City of Berkeley business license process and requirements to promote transparency between the City and small business owners and lower burdensome barriers to entry for new business owners. Such amendments shall include the following:

1. Establish a business license amnesty program
2. Establish a Small Business Support and Retention Emergency Grant
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**BACKGROUND**

Small businesses are the foundation of a thriving city economy, given the importance of local businesses and community engagement. By empowering local businesses, jobs become more meaningful and there is greater opportunity for innovative ideas by aspiring entrepreneurs. The City of Berkeley has been supportive of local businesses, but since the COVID-19 pandemic, it is now more important for Berkeley to lend a helping hand to these stores. These businesses, especially those owned by underrepresented groups, are what enrich the Berkeley community and create this welcoming and open space for each member of the community. Berkeley has recognized the importance of small businesses in the past, establishing the Berkeley Relief Fund, modifying zoning ordinances, and increasing support for the permitting process. However, there is still more to be done regarding compliance with license requirements and improved transparency during the permit process. Some of the main barriers of entry for new business owners include a lack of capital, inability to file for a permit, and absence of support throughout the process. These issues can be addressed through the implementation of improved transparency with the business license amnesty program, transparency about the licensing process, establishment of a small business support and retention emergency grant, and a small business ombudsman. We want to support small businesses who have less than \$50,000 and rename the OED's loan fund. There is a Green Business and Zero Emission incentive as well which may be supported by California Green Business Network (CAGBN) Alameda County dollars.

1. Business license amnesty program

In 2019, the City of Santa Monica launched a six-week amnesty program in order for

unlicensed businesses to comply with the city's business license taxes. With this action, unlicensed businesses that voluntarily register for a business license during the six-week period were forgiven and did not have to pay for any penalties that were previously identified. This type of program was a great opportunity for all businesses to comply with the City of Santa Monica tax law. It was estimated that businesses with penalties received a 90% reduction in penalties regardless of the reason for non-compliance<sup>1</sup>. If implemented in other cities, this form of amnesty program can benefit both businesses and the City as it is a way of generating revenue and also helping out taxpayers. When the City of Santa Monica conducted this program, it was estimated that the city collected approximately \$200,000.<sup>2</sup>

Similarly, in East Palo Alto, a compliance program was implemented this year that included an amnesty period where all penalties that were accompanying unpaid taxes were waived or reduced<sup>3</sup>. This program still had the underlying taxes, but gave business owners 90 days of relief. These amnesty programs for business owners have been implemented across the state, including cities such as South Pasadena —where “enforcement of violations related to unpermitted ADUs may be delayed for five years if correcting the violations is not necessary to protect health and safety”<sup>4</sup>—and Los Angeles in which “by creating a process that provides some amnesty for individuals to get their properties into compliance, we're actually creating a safer housing supply than what we currently have in the city of Los Angeles,” Council member Monica Rodriguez said<sup>5</sup>.

For the City of Berkeley, a proposal of a one year amnesty program, where business owners have a one year grace period of fees related to overdue, expired, and new business licenses. There will be no late fees collected and everyone will have access to a current business license regardless of any late or renewal fees that would have been due prior to SBSA.

## 2. Implementation of an ombudsman

The implementation of an ombudsman will assist community members and potential business owners in resolving conflicts or concerns with the City. As a potential mitigator, this position is necessary to provide a fair and equal environment for both parties. Specifically, a business ombudsman can help small businesses deal with excessive regulation that can be deemed unfair.

Such a case where the implementation of an ombudsman was demanded by community members was when the Harriet Tubman Terrace (HTT) reported violations made against low-

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<sup>1</sup> Lirtsman, T. (2020, February 27). *City of Santa Monica, CA Six-Week tax amnesty program*. Marcum LLP. Retrieved February 4, 2023, from <https://www.marcumllp.com/insights/city-of-santa-monica-ca-six-week-tax-amnesty-program>

<sup>2</sup> Walrack, J. (2021, October 2). *Tax amnesty programs: The complete guide*. SuperMoney. Retrieved February 4, 2023, from <https://www.supermoney.com/tax-amnesty-programs/>

<sup>3</sup> “Business Licenses.” *City of East Palo Alto*, <https://www.cityofepa.org/manager/page/business-licenses>. Accessed 6 June 2023.

<sup>4</sup> “City of South Pasadena Revised Draft 2021-2029 Housing Element”. Department of Housing and Community Development. 2022. <https://www.hcd.ca.gov/housing-elements/docs/south-pasadena-6th-draft051122.pdf>

<sup>5</sup> Albaryan, Anna. “LA City Council approves ADU amnesty program”. Spectrum News 1. 17 May 2023. <https://spectrumnews1.com/ca/la-west/politics/2023/05/17/la-city-council-approves-adu-amnesty-program>

income, elderly members<sup>6</sup>. This recommendation was made by the Housing Advisory Commission, which recommended that HTT is assigned a “dedicated tenant advocate to assist with relocation and other needs” after the hearing of evidence of misconduct and housing violations by part of the property ownership (1). This is an example of where implementing an ombudsman ensures that “tenants experience continued safety, protections, reparations and compliance from the contractors, vendors, management and all responsible parties” (1).

In Foster City, a similar program has been implemented, with a business ombudsman at the disposal of small business owners<sup>7</sup>. In the City of Berkeley, an ombudsman would act similarly to a social worker for the applicants of business. Each would have a caseload, but not all applicants would be able to receive this type of heavy support. There will be a monitor to determine which applicants need the help of an ombudsman. However, anyone can have access, but there will be priority given to underrepresented businesses.

According to several employment recruitment sites<sup>8</sup>, the cost for a full-time ombudsman in Berkeley falls between an average of \$76,231 and \$93,341<sup>9</sup>. For reference, Oakland’s REAL People’s Fund Budget & Policy Agenda for City of Oakland FY 2023-2025 estimated a cost of \$133,893 to fund the position for a full-time equivalent Urban Economic Analyst and an estimated cost of \$187,486 to fund for a full-time equivalent Program Analyst in Cultural Affairs<sup>10</sup>. Both positions would streamline pilot Business Ombudsman Program and the retention of resources to low-income communities.

## **COVID**

Uneven recovery exists due to stimulus support being selectively available. We will continue to see this for as long as foreseeable future situations, such as earthquakes, fires, diseases, civil unrest, and other unprecedented events occur. On one hand, this creates a unique opportunity to be proactive about attracting new businesses. However, on the other hand, a lack of licensure makes it impossible to reach everyone who may need support.

## **What the City of Berkeley License Business Application Entails<sup>11</sup>:**

Any of the following ownerships must obtain a license:

- Owners of commercial rental property
- Owners of residential property with three or more dwelling units
- Owners of five or more residential rental units
- Contractors applying for building permits
- Home-based businesses and
- Street artists and vendors

*The business license is a revenue tax and is not a regulatory permit. Business owners are*

<sup>6</sup> “Harriet Tubman Terrace Tenant Support”. City of Berkeley, Housing Advisory Commission. <https://records.cityofberkeley.info/PublicAccess/api/Document/Ab1RJC2rpXhH094DEivY2v0%C3%815EsHvCyYoUzOITWRyFHYi%C3%89izD%C3%811pHpGS5fELqym8OVORmVI4HENVHzmuft7bXus%3D/>

<sup>7</sup> “Business Ombudsman Program”. Foster City, California. <https://www.fostercity.org/citymanager/page/business-ombudsman-program>

<sup>8</sup> “Ombudsman in Oakland, California”. Salary. <https://www.salary.com/tools/salary-calculator/ombudsman/oakland-ca>

<sup>9</sup> “Ombudsman Salary”. ZipRecruiter. 27 Feb 2024. <https://www.ziprecruiter.com/Salaries/Ombudsman-Salary>

<sup>10</sup> “The REAL People’s Fund Budget & Policy Agenda for City of Oakland FY 2023-2025”. <https://docs.google.com/document/d/10V17b-0UOSxbZGyUS7IVZnVnCZ22tbpSSS619s0OLEM/edit>

<sup>11</sup> “New Business Licenses”. City of Berkeley. <https://berkeleyca.gov/doing-business/operating-berkeley/business-licenses/new-business-licenses>

responsible for obtaining all necessary approvals, permits, licenses, and to pay all taxes and fees associated with the business. Payment of the business license tax does not constitute zoning, building, fire, health, or toxic review/approval.

The process for new businesses to obtain licensure could take days, even weeks, in order to complete both the review and the approval processes. Firstly, a business license application must be filled out. As a requirement, business owners must ensure they meet address, zoning, and safety regulations. Meeting these regulatory requirements entails specific criteria in order for approval to be given. If the business location is not in the City’s database, then the business owner must apply for an Address Assignment Request and submit it to the Building and Safety Division with a \$200 fee. Additionally, the business must be in the zoning area and be prepared to potentially apply for zoning permits. This may present itself as a barrier if the business owner does not know which zoning area their business belongs to. For safety regulations, the owner must ensure that health codes are met, verify building and safety regulations, and any other supplementary items that ensure the nature of the business is in good condition.

All business licenses expire on December 31st of every year. This requires that all renewals for business licenses be submitted by March 1st of every year. Contractors can be approved for building permits, but only if they hold active business licenses. Any business that fails to meet the deadline will be penalized according to the following:

- Penalty 1: a 10% increase on March 1st with a 1% monthly interest accrue on outstanding business license tax starting March 1st
- Penalty 2: An additional 40% on April 1st with a 1% monthly interest accrue starting April 1st

The penalty for failing to meet the March 1st deadline may be a barrier for certain businesses due to the increased cost. Renewal fees may have a greater impact on businesses that experience uncertainty in their clientele. Said businesses may benefit from filing extensions to their business license renewal. The business license amnesty program would help address this by including a time sensitivity between March 1st and December 31st.

The following businesses can renew their license through an online platform:

Business Type	Tax Code
Administrative Headquarters	Q
Motor Vehicle Sales	V
Business Personal Repair	B
Non-Profit	N
Cannabis(Medical and Adult Use)	CC
Professional-Semi-Professional	P
Entertainment	E

Business Type	Tax Code
Retail	R
Grocery	G
Rental of Real Property	L
Manufacturing	M
Wholesale	W

Initiating a business license renewal requires the completion of a Business License Renewal Form. With the exception of non-profits, street vendors, and owners of rental property, most businesses will fill out a General Business License Renewal Form. The General Business License Renewal Form can be submitted online or in-person. Nonprofits must fill in the Flat Fee Business Renewal Form and they have the option to submit it online or in person. For rental properties, submission via the Rental of Real Property Business License Renewal Form is the same as the latter.

A Business License Change Form must be turned in electronically upon any updates made to the ownership, location, or name of the rental property. A General Closing Business Declaration Form submission applies to any closing of a business, a business location, or the transfer of ownership. This also applies to the closing of any rental property.

The Business License Classifications and Tax Rates site under the City of Berkeley lists out the amount of tax for each \$1000 income depending on the type of business<sup>12</sup>. It is important to note for these taxes that small businesses may end up applying for waiver requests.

**CURRENT SITUATION: AN OVERVIEW OF WHAT WE ARE DOING**

Improved transparency in the Business License Application and Process entails identifying the most troublesome parts of Berkeley’s business permitting process.

- Application process{ new, renewal, penalty(what’s annoying... detail specifically - have enlisted small business to collect data via focus group for this information) Calculations for penalties
- Categorization (tax bracket... clarification)
- Clarity between State, Berkeley, Incorporated... licensing (What’s easy to fix vs. what requires council)
- Outline Permit fees and process
- Current revenue vs. projected revenue (24 months)
- new businesses opened vs. businesses closed in the last 5 yrs
- Number of shuttered/vacant commercial buildings; for lease 2022
- Number of businesses sole proprietors over 60 yrs old (Project Equity stats)
- Major redevelopment programs mean major opportunity
- How many new biz applications does the City of Berkeley process annually - 13,000 existing...
- The city celebrates and serves licensed businesses but this cannot be possible

Commented [1]: Ask Liz for doc of pain points

Commented [2]: is this still true?

<sup>12</sup> “Business License Classifications & Tax Rates”. City of Berkeley. <https://berkeleyca.gov/doing-business/operating-berkeley/business-licenses/business-license-classifications-tax-rates>

without an active business license.

**What are the barriers of local business owners to licensing?**

Several factors contribute to the barriers of local business owners to licensing, such as complex zoning laws, neighborhood business quotas, a 60's desire to give neighborhoods description into what kinds of businesses can move into commercial districts, and the hardships on each step of creating the business itself<sup>13</sup>.

A business might not have a license for multiple complex reasons. YaVette Holts, the founder of Bay area Org of Black Owned Businesses<sup>14</sup>, shared her testimonial experience in her licensure procedure and her expertise with local business issues in the bay area. In her personal anecdote, Holt shares she was levied three charges during her licensure application procedure, and after three months has yet to receive her license renewal. This, along with her difficulty navigating the finance department or understanding recent zoning amendments, highlights expense and information disbursement barriers for local businesses.

**What is amnesty?**

For the City of Berkeley, business owners have a one year grace period of fees related to overdue, expired, and new business licenses. There will be no late fees collected, and everyone will have access to a current business license regardless of any late or renewal fees that would have been due prior to SBSA.

An example within the City of Berkeley where fines were reduced and eliminated to better serve the lowest income communities was in 2018 when the Berkeley Public Library decided to discontinue the late fees for teen and adult materials<sup>15</sup>.

**IMPLEMENTATION:**

We believe this is important and effective because we need to take care of our small businesses, which make Berkeley such a desirable and charming community. As a City, we have not brought in many large retailers because we don't need them. Instead, we have mom-and-pop shops that support the needs of our community, and we've been able to retain our small businesses without large corporate stores pushing them out. Ensuring our small businesses are supported increases our tax base and builds equity for families who own these businesses.

Referring back to YaVette Holts and her shared expertise, amnesty implemented in the licensure application procedure would address the barriers in fees that several small businesses face, especially for newly opened ones. In her own words, businesses must be in operation in order to remain open, but that comes with immediate taxation upon starting a business, which makes it difficult to generate revenue and remain open. Furthermore, the implementation of an ombudsman program would also facilitate the disbursement of important information small businesses find relevant, such as zoning requirements and taxing information. By addressing these pain points and

<sup>13</sup> Dinkelspiel, Frances. "Is it hard to do business in Berkeley?". 20 January 2011.

<https://www.berkeleyside.org/2011/01/20/is-it-hard-to-do-business-in-berkeley>

<sup>14</sup> <https://baobobdirectory.com/>

<sup>15</sup> "Berkeley Public Library to End Charging of Daily Late Fees for Teen and Adult Materials". Berkeley Public Library. 7 June 2018. <https://www.berkeleypubliclibrary.org/about/news/berkeley-public-library-end-charging-daily-late-fees-teen-and-adult-materials>

fostering a more supportive environment for small businesses, Berkeley can strengthen its economic base, empower local entrepreneurs, and cultivate a thriving community where businesses can flourish.

Small businesses need support from the city to thrive, and through this initiative, we can increase community engagement by connecting business owners to the proper city services, allowing them every opportunity to succeed. When our businesses thrive, our community benefits and Berkeley's economic vitality increases as a result. Inspiring others to establish small businesses in our city helps foster the vision of Berkeley that previous generations worked so hard to create. It is our duty to protect that vision now and build relationships with small businesses through incentives and cooperation that reflect our values.

- Increase tax base
- Business Retention
- Community Engagement - business owner connection to city services - Economic vitality increases
- Enforcement relationship w/ business vs. incentives and cooperation

#### **FINANCIAL IMPLICATIONS**

The referral policy aspect requires staff time from the Finance Department Office. The implemented policy cost and benefits are to be determined.

#### **CONTACT PERSONS**

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