

Neighborhood-Scale Commercial



Land Use, Housing & Economic Development Policy Committee

Councilmember Rigel Robinson

11/06/2023

To: Honorable Mayor and Members of the City Council

From: Councilmember Rigel Robinson (Author), Councilmember Ben Bartlett (Co-Author), Councilmember Terry Taplin (Co-Author)

Subject: Referral: Neighborhood-Scale Commercial

RECOMMENDATION

Refer to the City Manager and Planning Commission to consider and develop policies to permit neighborhood-scale retail uses in residential zones to increase economic opportunity, vitality, and walkability in Berkeley neighborhoods. Changes may include zoning alterations or modifications to use permit requirements.

Staff and the Planning Commission should consider conditions to avoid detrimental impacts on surrounding residential uses and neighborhoods, including but not limited to limitations on operating hours, signage, loading/unloading activity, limitations on selling alcohol, restricting applicants to businesses with fewer than three locations, and establishing different permitting requirements depending on square footage, proposed use, or other factors.



About: This legislation seeks to allow certain neighborhood-scale commercial uses in residential zones

This referral contemplates exploring zoning changes that would enable property owners to reactivate formerly commercial spaces in neighborhoods for active commercial uses or to enable new neighborhood-scale commercial uses in residential areas.

Put simply, this referral seeks to *legalize neighborhood corner stores*, and similar gentle commercial uses.



Current Situation

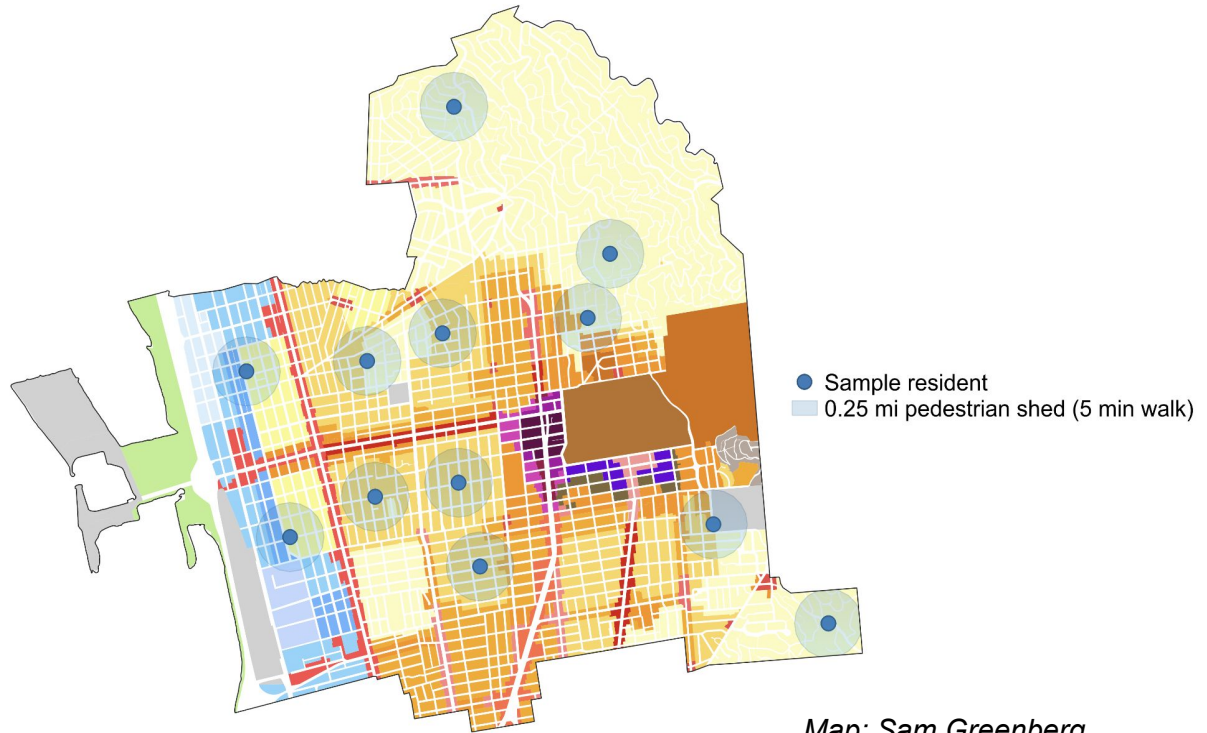
- **There used to be numerous corner storefronts throughout residential neighborhoods** in Berkeley that made it easier for many residents to get their needs met by walking rather than driving. A few still exist.
- **Rezoning**s over the years changed the zoning of many neighborhood parcels that previously permitted small retail, prohibiting commercial activity.
- **While existing shops were grandfathered in, many have since been converted to other types of units**; when storefronts closed, many building owners converted them into apartments.
- **Once these commercial units were converted into apartments, they lost their grandfathered status**, and it has become impossible for them to be converted back to commercial uses



Current Situation

Many Berkeley residents don't live within walking distance of commercial districts.

- Example: Each dot represents a sample resident who does not live within a 5 minute walking distance of a commercial-zoned parcel.
- Each shaded blue circle represents their “pedestrian shed” – or the area that is walkable within 5 minutes at an average walking pace.



Map: Sam Greenberg



Current Situation

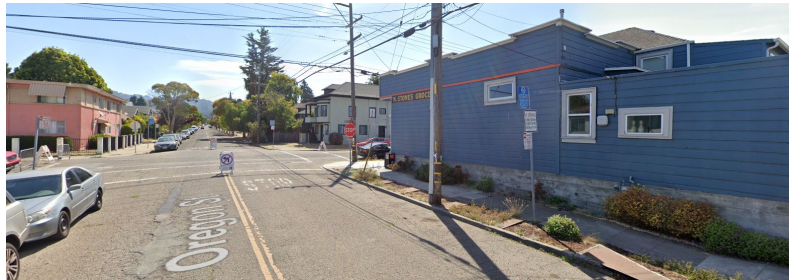
Neighborhood-scale commercial units are an important part of Berkeley's historic neighborhood fabric.



1726 MLK Jr. Way. On the corner of Francisco St. and MLK Jr. Way.



The old Rose's Grocery at 2211 Rose St. On Rose St. between Spruce St. and Oxford St.



The old N. Stone's Grocery at 2829 McGee Ave. On the corner of McGee Ave and Oregon St.



Headquarters, a closed art studio at 2302 Roosevelt Ave. On the corner of Bancroft Way and Roosevelt Ave.



Current Situation

Neighborhood Scale Commercial units operating in Berkeley's neighborhoods can increase livability and economic opportunity.



Jesse L. Porter Barber Shop at 3108 Martin Luther King Jr. Way. On MLK Jr. Way between Prince St. and Woolsey St.



Gallery 2727, an arts non-profit at 2727 California St. On the corner of California St and Ward St.



Goals:

By allowing residents to create new and affordable neighborhood-scale commercial spaces, we can:

- **Embrace our City's unique history** by allowing residents to reactivate pre-existing historic commercial spaces and create new ones
- **Create new economic opportunities** to start a small businesses, increasing the economic diversity of business owners
- **Increase the accessibility and walkability** of neighborhoods to cafes, stores, and other establishments that can serve as “third spaces” for residents, adding vibrance to neighborhoods
- **Increase livability for all Berkeleyans**



Policy Considerations

- **“Operating hours, signage, loading/unloading activity, limitations on selling alcohol, restricting applicants to businesses with fewer than three locations, and establishing different permitting requirements depending on square footage, proposed use, or other factors.”**

This item is in draft form, and we look forward to bringing it back to the committee with additional language, particularly relating to the following areas:

- **Considerations for tenants** living in formerly commercial, now residential, spaces, to prevent displacement
- **Market research and surveys** to understand how much demand there is for new neighborhood-scale commercial uses. Perhaps in part by surveying business owners using the home occupations ordinance
- **What types of lots** should be able to sustain neighborhood-commercial? Corners? Lots of a particular zoning?
- **An “Accessory Commercial Unit” framework**