



Office of the Mayor

CONSENT CALENDAR

December 14, 2021

To: Members of the City Council

From: Mayor Jesse Arreguín (Author), Councilmember Robinson (Co-Sponsor), and Councilmember Bartlett (Co-Sponsor)

Subject: Allocating Remainder of Berkeley Relief Fund

RECOMMENDATION

Adopt a Resolution accepting a \$28,142.38 payment from the East Bay Community Foundation of funds raised by the Berkeley Relief Fund and authorizing the City Manager to allocate these funds to the following:

- \$10,000 to the Starry Plough Pub and Music Venue
- \$18,142.38 to the Eviction Defense Center for the Housing Retention Program

BACKGROUND

In March 2020, at the beginning of the COVID-19 Shelter in Place restrictions, the City Council established the Berkeley Relief Fund. The initial \$3 million provided by the City Council to capitalize the fund was supplemented by over \$1.5 million in private donations that were held in custodial trust by the East Bay Community Foundation (EBCF). These funds were used to support 700 small businesses, including 251 restaurants, 142 retail establishments, 85 personal services and 222 other businesses, 63 arts organizations, and 214 families with rent assistance. Most of the funds have now been spent, with \$78,142.38 remaining and being held at EBCF. Of those funds, \$50,000 has been reserved for the COVID-19 Business Damage Mitigation Fund, with \$28,142.38 currently unallocated.

This item requests that Council formally accept remaining unallocated grant funds from the East Bay Community Foundation and disburse remaining funding to the following organizations: The Starry Plough for \$10,000 and Eviction Defense Center for \$18,142.38.

Unlike most live-performance venues, the Starry Plough Pub and Music Venue is classified as a restaurant/bar and up until recently did not have non-profit tax exempt status. Despite being a part of Berkeley's cultural life for over 40 years, this business designation made them ineligible for the COVID-19 Arts Continuity Grant funding which provided larger awards than those provided to small businesses. In fact, the Starry Plough received a \$2,500 Business Continuity Grant in 2020, whereas their neighbor, La Pena, which has a restaurant connected to it, but is classified as a cultural venue received a \$24,000 Arts Continuity Grant. The Starry Plough has been closed for 20

months and is struggling to reopen. Because the Starry Plough is in a unique situation compared to other businesses and live-performance venues this item requests that they receive a supplemental COVID-19 Continuity Grant to bring them closer to the amounts provided to arts organizations.

The Eviction Defense Center's Housing Retention Program has been instrumental to providing financial stability to tenants who have been impacted by COVID-19. Grants of up to \$10,000 are available, and there still is demand for such grants. Providing an additional \$18,142.38 to this program could support two or more households in need of rental assistance.

FINANCIAL IMPLICATIONS

\$28,142.38 from the Berkeley Relief Fund, held custodially by the East Bay Community Foundation

ENVIRONMENTAL SUSTAINABILITY

There are no environmental impacts associated with the recommendations in this report.

CONTACT PERSON

Mayor Jesse Arreguín 510-981-7100

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

ALLOCATING REMIANING FUNDS OF THE BERKELEY RELIEF FUND FROM THE EAST BAY COMMUNITY FOUNDATION TO THE STARRY PLOUGH PUB AND MUSIC VENUE AND EVICTION DEFENSE CENTER

WHEREAS, Berkeley's businesses and nonprofits have been severely impacted by the COVID-19 pandemic, experiencing extreme reductions of revenue; and

WHEREAS, on March 17, 2020, the City of Berkeley helped to launch the Berkeley Relief Fund by allocating \$3 million to grant programs for businesses, nonprofits, arts organizations and renters impacted by the pandemic; and

WHEREAS, the generous residents, business community, and philanthropists of Berkeley have contributed over \$1.5 million to the Berkeley Relief Fund to support the community's recovery from the pandemic and the associated economic crisis; and

WHEREAS, staff from the Office of Economic Development launched the Business Continuity Grant program to provide grant funding to businesses and nonprofits that have experienced revenue losses due to the pandemic, and received 1,058 applications; and

WHEREAS, over the past twenty months, these funds have been used to support 700 small businesses, including 251 restaurants, 142 retail establishments, 85 personal services and 222 other businesses, 63 arts organizations, and 214 families with rent assistance; and

WHEREAS, the East Bay Community Foundation is prepared to transfer to the City of Berkeley the remaining \$28,142.38 payment of funds held for the Berkeley Relief Fund, which will be deposited into Fund 363- One Time Grant, No Capital Expenditures; and

WHEREAS, the Starry Plough Pub and Music Venue received just a \$2,500 Continuity Grant in 2020 because they are classified as a restaurant and not as a live-performance venue, despite being principally a music venue with a bar and restaurant as an incidental use; and

WHEREAS, demand still exists for the Eviction Defense Center's Housing Retention program has been instrumental to providing financial stability to tenants who have been impacted by COVID-19.

NOW THEREFORE, BE IT RESOLVED by the Council of the City of Berkeley that a \$28,142.38 payment from the East Bay Community Foundation be accepted to finance grant payments to assist businesses and tenants impacted by the COVID19 pandemic.

BE IT FURTHER RESOLVED that the City Manager is authorized to allocate this funding as follows:

- \$10,000 to the Starry Plough Pub and Music Venue
- \$18,142.38 to the Eviction Defense Center's Housing Retention Program