Spring is in the air and things are opening, from blooming flowers to businesses. A great time to open the mind as well! Reading is a great way to expand the mind, and recently I have embarked upon reading Billion Dollar Whale, a real life story about a $5 Billion financial swindle. The subject matter caused me to think about us as people and how nobody wants to be ripped off, especially when it comes down to money and finance.

What makes one person inclined to financially rip someone off whereas someone else is not inclined to go that route? What factors contribute to being honest and forthright when it comes to money and financial matters… specifically money that belongs to other people?

Well, I have a confession to make. Early in life I learned a valuable lesson about money that belongs to someone else. Allow me to share my experience.

When we lived in Richmond, our neighborhood had seven mom and pop style stores within a five-block radius. One day I had a strong desire to patronize a neighborhood store, however, I was lacking financial resources. After giving some thought to my dilemma I came up with the solution, which was to liberate a few coins from my mother’s purse. I was about nine years old at the time and I “freed” about a twenty-five cents from her purse without advance consultation.

El Cerrito approved a permit on March 19th for a second cannabis dispensary in the city. The application of the Los Angeles-based Shryne Group for a former savings and loan building at 10764-10770 San Pablo Ave. was selected from three proposals submitted by the September 3rd deadline set by the city last year following a review by the city manager, police chief, city attorney, community development director, and planning manager.

The application by the Los Angeles-based Shryne Group, which plans to call the retail business Authentic El Cerrito, “was superior in terms of clarity; specificity; site selection, design and layout; and a comprehensive set of community benefits,” the city said on its website.

The approval followed a March 9th online meeting where the public weighed in on the proposal.

Concerns raised during the meeting and via email comments included “the potential of the business to attract crime, and concerns about the compatibility of the business with surrounding land uses,” City Manager Karen Pinkos said in a report.

“In response to these comments, with respect to crime, City staff notes that the applicant was selected based on the strength of their security plan, and the security plan has been thoroughly reviewed by the Chief of Police,” she wrote. “Further, the applicant is required to meet every 180 days with the Chief of Police to review the security plan.”

The agreement also sets out “numerous” performance standards regarding security.

The agreement with the Shryne Group calls for the city to receive five percent of annual gross receipt sales between $1 and $5 million, four percent of annual gross receipt sales between $5 million and $10 million, and three percent of annual gross receipt sales greater than $10 million; in addition to the City’s sales tax receipts.

Sales Tax Hike

The half percent Contra Costa County increase approved by voters last November takes effect on April 1, 2021. Therefore, the tax rate in El Cerrito is now 10.25%. In Richmond, the tax rate is now 9.75%.

Get Vaccinated. Wear Your Mask!

From the President

JEFFREY WRIGHT

BY CHRIS TREADWAY

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The community benefits portion is of particular interest to the city as it deals with a major budget crisis and seeks new income sources.

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See From the President, page 7

See Authentic El Cerrito, page 6
Welcome Authentic El Cerrito. This business joined the Chamber last fall and was mentioned on the front page of October’s Byline. Now with the granting of the City permit to operate, you can learn more about their business and the significant benefits they bring to the City of El Cerrito in the story by Chris Treadway.

Batteries+Bulbs opened for business on June 20, 2015, when Raiders star Ray Chester cut the ribbon at the Schmidt Lane and San Pablo Avenue store. Last month, their building was purchased by Authentic El Cerrito, so the popular battery and bulb outlet must relocate. The Chamber has been assisting in a search. Watch for updates.

State Auditor’s report. That document was released to the public on March 16th (see page 5). El Cerrito needs to cut spending significantly. That’s a fact. When cuts are made there is no pleasing everybody, or anybody. But the City must have a positive bottom line and rebuild a reserve fund.

I’ve followed this closely since the bombshell “7th most fiscally challenged…” San Francisco Chronicle story, attending all meetings and paying close attention. Granted, it is a slow process, but I’ve seen steady progress.

The City will get over $4 million in federal stimulus money in two payments. Tempting as it is to spend, that will most likely be put in the bank. So forget about using federal bailout funds to get out of the hole.

Here’s what will now happen. My predictions. City Council will be presented with budget scenarios from the City Manager and Finance Department that include unpopular cuts to City services. Council members will grimace — they are politicians — and they will vote to make those cuts. They have no other choice. Municipal government will become leaner.

Our City Manager will follow the advice of Management Partners, the consultants we hired months ago, and our fiscal response plan will build up the general fund and reserves over five or six years. TRANS will be phased out. City management can run the numbers and see at the big picture.

After that, Council members will need to resist spending money on frills once we’re again solvent. It was clearly prior Council spending that put the City in this position years ago. The City Council is the body that approves spending.

To be sure, prior Council members and administrations had the City’s best interests in mind and the public was happy. They wagered that a recession would end and all would be rosy again. Nobody predicted a pandemic. As one of our present Council members says: “the road to hell is paved with good intentions.” The plan didn’t work; we now fix it.

City Manager Karen Pinkos told me: “We know what we need to do and we will continue to do the work that needs to be done. My main priority is to restore the City’s financial health and I am determined to do just that!” Take those words to the bank. Working with the Council she will get it done. I have absolutely no doubt about that. As stated, those are my predictions.

Casualties. When City spending is cut, people lose jobs. That’s the real tragedy. To a person, our City employees are hard working and dedicated. They deserve better. Alas, the City is between a rock and hard place. This is temporary; we do have a very bright future.

Catalytic converter theft is a huge problem now for local businesses. The cost to replace the units, plus repair damage to vehicles, is significant. Too much theft can close businesses and end livelihoods. When the “defund the police” crowd makes their noise, remind them of this major crime problem.

I’d like to see a task force deal with this crime funded by the state through DMV or CHP. Bust the perps and then give them hard time in prison; not a mere slap on the wrist.

Indoors again. Last month health regulations were eased permitting indoor dining at 25% capacity. (I expect 50% capacity about the time this issue hits the press.) What a delight to once again enjoy a meal and a brew at the bar inside Elevation 66 Brewing Company. It has been a long haul.

See Past Prez Palaver, page 3
ONE WAY we’ve adapted over the last year is by becoming more comfortable with doing things differently. Consumer behavior has changed in ways that will either remain for good or ease back to prepandemic norms.

With food retailers’ online sales jumping an average of more than 300%, e-grocery shopping is here to stay. For education, virtual learning missed the mark. As feasible, schools and colleges are reinstating in-person learning. We continue to enthusiastically embraced “nesting” at home, but physical distancing has meant painful isolation at times. We’ve missed being with friends and family and communing with others. We will be enjoying live events, albeit in smaller groups, as soon as possible.

Over the past year, we have seen people quickly shift their mindset and priorities like never before. And, despite a grim economy, applications for new business licenses are on the rise: In California, 442,324 were filed in 2020, a 21.7% increase from the year before, according to an analysis of data that the U.S. Census Bureau. People whose businesses shut down for good are trying to start over. Others are trying to make extra money after a pandemic-related layoff. Some have been reflecting and deciding to make a change, take the plunge into starting something they have dreamed of for years.

In El Cerrito, we see human tenacity up close as entrepreneurs re-invent or start businesses and services, like PennDel’s Bakehouse, Café Nine, Vasco Career College and Twin Trees Coffee, just to name a few. With this courage and optimism and our community’s support, El Cerrito will continue to grow and thrive.

PAST PREZ PALAVER

Grab & Go. Beginning Monday, April 26th, the El Cerrito Public Library will be open with limited occupancy for select services including computer use, reference help, to pick up holds, check outs and returns, browsing, and copies and printing. Masks and social distancing required. Full details here: ccclib.org/libraries-reopen.

Landlord relief. California’s COVID-19 Rent Relief Program can help eligible El Cerrito tenants and landlords with unpaid rent and utilities incurred between April 1, 2020 to March 31, 2021. The federal Consolidated Appropriations Act of 2021 provides funding to support the state program.

Rental property owners with one or more eligible tenants can apply to get reimbursed for 80% of each eligible renter’s unpaid rent between April 1, 2020, and March 31, 2021, if they agree to waive the remaining 20% of unpaid rent for that time period. For specific requirements or to verify eligibility, go to HousingIsKey.com, or telephone (833) 430-2122.

JunkCat Cares! When some slob discards trash on the greenway, leave it to El Cerrito’s junk hauler to remove it — at no cost. Use junkcat.com for licensed, insured, responsible hauling for all your junk. An El Cerrito business.

Marketing. The banner reads Mayfair Station at the under construction apartment project at Cutting and San Pablo. In few months, they’ll be leasing. A new look for an old corner.

Bounce-back sale. Mechanics Bank is offering business loans this month at the prime rate. Talk to a “Mechanic” at the El Cerrito branch to get some moolah. See MechanicsBank.com/BounceBack or call 800-797-6324 for all the details.

EC in the news. The Department of Homeland Security Science and Technology Directorate has awarded $198,600 to AppCensus, a start-up based in El Cerrito, to develop testing and validation services for digital contact tracing application.

Popcorn Pizza Nachos Burgers Tater Tots … even Milk Duds Every Saturday 4:30-7:30 p.m. Preorder online or walk up Rialto Cinemas Cerrito rialtocinemas.com
A dedicated visionary has returned! While some businesses have shuttered stores or pivoted to “virtual only,” Vasco’s owner and director, Drusilla Lamptey-Mercer, moved the vocational school to El Cerrito. Vasco had been thriving in Richmond, located within Hilltop Mall which was forced to immediately close during early in 2020 due to COVID-19 public spaces restrictions.

Director Lamptey-Mercer quickly sprung into action, with a confidence and tenacity grounded and shaped by years of persevering through difficult challenges that inspire her to “pay it forward” and help others achieve independence while caring for others.

The East Bay has been home to Lamptey-Mercer for decades, starting as a young woman raising a child and making it on her own. Even then, her entrepreneurial creativity and compassion for others shaped her vision. She set up shop at the Ashby Flea Market in Berkeley, selling jewelry and clothing every weekend. At the market, she listened with empathy, learning that negotiating and providing a good service meant customers would return over and over.

With her career accomplishments, Lamptey-Mercer achieved providing for her family, but within her remained an undeniable drive to help others. So, six years ago, Drusilla recognized that often the high cost of specialized vocational training meant the specialized training that helped her gain independence was out of reach for many. Well, here was another way to serve others! With the courage and skills of a seasoned entrepreneur, she navigated learning about the administrative requirements of certifications, hiring and training staff, and every single detail of running a vocational training business.

Vasco Career College offers high quality, affordable education and clinical training for all individuals seeking skills to pursue career opportunities in the health care industry’s many fields, including: Pharmacy Technician, Medical Admin, Assistant/Billing & Coding, Clinical Medical Assisting, Medical Assisting, Billing and Coding Specialist, EKG/ECG Technician, and Nursing Assistant.

Creating mutual respect and support is a value that carries Lamptey-Mercer forward to this day as she runs Vasco. While she still appreciates beautiful, affordable, jewelry, in the intervening years, Drusilla has pursued education and gained deep knowledge and understanding of health care professions working as a pharmacy technician and instructor for years. For many years, Drusilla lived in El Cerrito, raising her family while continuing to developing her professional skills.
The much anticipated report by the State Auditor’s office regarding the City of El Cerrito’s financial condition was released to the public on March 16th. The report summarizes that “excessive spending and insufficient efforts to address [the City’s] perilous financial condition jeopardize the City’s ongoing fiscal viability.”

According to the report, since fiscal year 2009-10, El Cerrito consistently spent more than it received in revenue, leaving it in a precarious financial condition. General fund reserves were completely depleted in fiscal year 2016-17. Lacking reserves, El Cerrito has been relying on short term loans (TRANs) each year to cover operating costs. The most recent TRAN was for $8.5 million.

State Auditor Elaine M. Howle stated in her report that “poor budget monitoring practices have allowed City departments to routinely overspend.” Other concerns included overtime pay, “above-average salaries for certain positions,” inadequate fees to fully cover swim center costs, and low or no fees for senior services.

The City Auditor’s concerns first came to light in a October 2019 San Francisco Chronicle story. At that time, a study of fiscally challenged cities by the auditor’s office ranked El Cerrito at No. 7 statewide, in a high-risk category, citing liquidity issues, low reserves and pension funding obligations. The following month City Manager Karen Pinkos and then-Mayor Rochelle Pardue-Okimoto addressed the Chamber announcing a “deep dive” by staff into the City budget and a new strategic planning process engaging the community on what the City’s priorities should be.

The beginning of 2020 saw proposed budget reductions and included a town hall style public meeting in February to discuss the budget and ascertain spending priorities of residents. In March, COVID-19 shut down the economy making City revenue forecasts a murky exercise.

The City Manager issued an immediate point-by-point response to the State Auditor’s report. In her reply, Karen Pinkos stated:

“In the past two years and prior to this report, the City has focused on our budget by seeking additional revenue and implementing cost-saving measures. I was appointed City Manager on December 26, 2018. One of my top priorities was to restore General Fund reserves, and in completing the 2018-19 fiscal year it was apparent that structural changes needed to be made in order to do so. The City Council, and the previous City Manager, had focused on maintaining the current level of services to the point where we depleted our reserves.

“While the voters passed a new tax measure in November 2018, it had yet to begin in increasing our revenues, and the budget created by the previous Administration did not reflect the City’s financial situation. Once the fiscal year 2018-19 audit was completed, the path that needed to be taken was clear: the City needed to decrease expenditures and consider structural modifications in order to restore fiscal health. This required a change in culture for our organization.

“Beginning in 2019, I worked with the Mayor to ensure that there was a budget item on every bi-weekly City Council agenda, I worked with staff to analyze their budgets in order to identify reductions and monitor the revenues, and in February 2020, the City held a town hall meeting to discuss the budget with our community. The City Council then directed staff to provide $2 million in reductions for the next fiscal year.”

The State Auditor’s report lists a number of recommendations to City management which include building general fund reserves, budget development and monitoring, a fiscal recovery plan, reducing City costs, and increasing revenues. It should be noted that City management agrees with virtually all the recommendations. In fact, a fiscal response plan has already been instituted. The City will be submitting a “Corrective Action Plan” to the State Auditor, and then will follow up with progress reports every six months until the State Auditor team determines that all the risk areas have been addressed to their satisfaction.

As far as the suggestion to reduce public safety costs through salary reductions, Pinkos noted that there is no ability to impose terms and conditions on bargaining units. They must be negotiated with the unions. The State Auditor suggested an analysis to determine whether contracting public safety service to other entities would be cost effective. City administration did not agree with that recommendation.

Improving the City’s financial situation is a high priority for both the City Council and management. A statement from Mayor Paul Fadelli read: “While not perfect, the state audit makes important insights about how we’ve handled our finances in the past and how we should be going forward. I’m glad the City agrees with most of the recommendations because the audit can be a tool as we work to get back on track.”

This month there is a concurrent Budget Town Hall and Special City Council Meeting for the public on Saturday, April 10th, starting at 10 a.m. To join this Zoom video meeting, get login information at the City’s website: el-cerrito.org.

To read the complete State Auditor’s report about El Cerrito, go to: auditor.ca.gov.
The agreement also calls for a $50,000 payment to the city within 30 days of the effective date of the permit “which will be credited to the first month of the Community Benefit Fee.”

“I support this new business opening in El Cerrito and welcome the tax revenue it will generate for our city coffers,” Mayor Paul Fadelli said before the permit approval.

The Shryne Group was founded in 2019 by partners James Kim and Brian Mitchell and describes itself as a minority-owned business. It operates retail stores in Los Angeles, San Francisco, Davis, Palm Desert, Modesto and Alameda, according to its application.

“As one of California’s only truly vertically integrated cannabis companies, Shryne Group’s mission is to cultivate, produce and sell the safest cannabis products to our customers and other cannabis firms, while embracing an inclusive and diverse culture at the corporate and operational levels,” the firm said in its application. “The store name Authentic El Cerrito reflects our belief that a business should instill the values of the community in which it operates and should contribute towards the benefit of the entire neighborhood.”

The location is in the northwest corner of the El Cerrito Place center in a former savings and loan building that currently houses the retail business Batteries + Bulbs and an office of Quest Diagnostics, a national clinical laboratory company.

The Authentic El Cerrito permit is the second issued by the city. An application by John Oram and ECWC Partners Inc. for a 4,125-square-foot retail cannabis business at Bishop Center at 11886, 11888, 11896 San Pablo Ave. (at Conlon St.) was approved in September 2018. That store is under construction now.

Other businesses in the center include Marshalls, Tap Plastics, Mountain Mike’s Pizza, Donut Time, Tala Coffee and Tea, and Wonderful Spa.

The Authentic El Cerrito permit will hold a job fair 4-8 weeks prior to opening. This job fair will be publiclyized on the Web, through UFCW, Chamber of Commerce, and other community channels.

Anticipated annual sales: $8 million to $11 million annually.

The store is expected to have 25-30 employees. Wages are between $18 and $33.75 per hour with benefits, including pension plan, insurance, nine paid holidays, paid time off, sick/ personal leave, maternity leave.

Retail clerks and operations associates are represented by the United Food & Commercial Workers.

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Community Benefits
In addition to the Community Benefits Fee, Authentic El Cerrito shall provide the following to the community per conditions of their City permit to operate.

• Workforce Development
  The Operator shall provide a Workforce Development Program for those employees working for Authentic El Cerrito. These classes shall include the following: Introduction to Business, Microsoft Excel, Creating PowerPoint Presentations, Public Speaking, Basic Accounting, Supply Chain Logistics, Leadership and Communications.

• Collective Bargaining Agreement
  As part of a commitment to providing high quality jobs the Operator shall submit proof of a current collective bargaining agreement with a labor organization that represents cannabis workers in California that provides living wages, benefits, and worker’s compensation for employees.

• Community Contributions
  As part of its community benefits program the Operator shall donate at a minimum $50,000 per year to the Municipal Services Corporation to be distributed to local non-profits or efforts directly towards combating displacement and homelessness, drug addiction and other needs.

• Local Hiring
  As part of Operator’s labor and employment practices, Operator will actively seek out and recruit local hires to staff the cannabis storefront business which will include, supervisory, managerial, and administrative positions.

• Career Development
  Operator will offer a Career Development Program to create opportunities for those often overlooked in the community. This program will identify individuals such as those with a non-violent cannabis conviction, veterans, those from the foster care system, or others who have simply experienced extreme financial hardship.

• Drug Abuse Education
  The Operator will host regular educational seminars on cannabis products and related safety concerns.

• Volunteer Hours
  The Operator will actively integrate into the community through a volunteer program, providing a minimum of 150 hours each year.

— John C. Stashik
FROM THE PRESIDENT

I do not remember if it was a solid quarter or two dimes and a nickel, but it was about twenty-five cents. Those coins had buying power in the 1960s.

After transferring the funds from her purse to my pocket, the store of choice for my shopping venture was Silvera’s Groceries at the corner of S. 19th St. and Ohio Avenue. The store was connected to the house and upon entry to the store, the bells affixed to the door would ring and Mrs. Silvera would amble from the house down to the store oftentimes taking a considerable amount of time to get there.

That day I purchased a can soda and either a Dolly Madison pie or some type of Hostess brand cupcake or pastry all on the strength and buying power of that “liberated” twenty-five cents. I made my acquisition and was living the life!

In the meantime, for some reason that I will never know, my mother was checking the funds in her purse. Unbeknownst to me, she knew exactly how much money she had in her purse, down to the last penny. She began to inquire amongst my siblings about her shortage of funds. They all knew absolutely nothing about it. She then sent my older brother on a reconnaissance mission to locate me and bring me in.

When he found me living the highlife in the neighborhood, he informed me that mom wanted to talk to me, and naturally I wanted to know why. I immediately began to get my story together, with can drink in hand.

My mother asked me about the missing money, and I was ready for that one. Perry Mason and Hamilton Burger both would have been astounded, with their mouths agape upon hearing the utterance of my brilliant airtight response of “I found it.”

Mom began to intensify the interrogation, “where did I find it?” so on and so forth. I began to feel like a suspect in one of those old detective movies where the “perp” was being interrogated in a dimly lit interrogation room with one light bulb suspended from the ceiling and cigarette smoke wafting around the room while the detective was in the suspects face.

Honestly, I do not remember if I finally cracked and confessed, “yes, I did it, I stole the money!” Confession or not, I was found guilty, and justice was swift!!! No court of appeal, no separate hearing for sentencing. Most of us are familiar with spankings, whippings and even whoopin’s. Not everyone is familiar with the “beat down” which is basically a whoopin’ on steroids. Well, my 5’4” mother gave me the beat down. It was quite the experience listening to her admonishments throughout the duration.

Afterwards, there was a glow about me, a new aura, encapsulated by a warm bright light, harps playing. It was a transformative experience.

So, as I read about Jho Low in the Billion Dollar Whale and his real life $5 billion caper and reflect on the Bernie Madoff’s of the world, you can all rest assured that Jeff Wright has absolutely zero interest in money or any other financial resources that do not belong to him.

Having said that, I dedicate this column to my late mother, Delores Wright Dubose, who would have been 89 this month. Without a doubt, she was instrumental in helping me “see the light.”

Gabriela Gonzalez has your Orchids on Saturdays

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Zoom Mixer
Wednesday, April 7 • Noon
Meet Phil Kelly, Owner of
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info@elcerritochamber.org for login link
★
Virtual Art Program
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