

CITY OF OAKLAND
COUNCIL AGENDA REPORT

FILED
OFFICE OF THE CITY CLERK
OAKLAND
2003 OCT 16 PM 3: 18

TO: Office of the City Manager
ATTN: Deborah Edgerly
FROM: Community and Economic Development Agency
DATE: October 28,2003
RE: REPORT AND RECOMMENDATION REQUESTING AUTHORIZATION OF
FREE THREE-HOUR PARKING AT DESIGNATED METERS AND FREE
PARKING AT CITY PARKING GARAGES DURING THE 2003 HOLIDAY
SEASON

SUMMARY

This report recommends City Council approval of the Shop Oakland Parking Program, consisting of three-hour free parking at parking meters and eight-hour free parking at three City-owned parking garages each Saturday from November 29 through December 27,2003. This report also provides a summary of related Shop Oakland activities.

Cultural Arts & Marketing staff and Community and Economic Development Agency (CEDA) staff, working with Oakland Merchants Leadership Forum (OMLF) volunteers, have produced the Shop Oakland campaign. The 2003 holiday season component includes free parking, a print advertisement campaign, 75,000 shopping bags, publicity and a campaign kick-off breakfast/rally for merchants, as well as additions to the Shop Oakland website, which debuted one year ago.

FISCAL IMPACTS

It is estimated that revenues amounting to \$321,000 from parking meters and parking citations, and revenues from parking garages estimated at \$23,000, for a total of \$344,000, will be foregone during the duration of the Shop Oakland program.

Since Shop Oakland is an annual program going into its tenth year, the revenue impact has already been factored into the 2003-2005 estimated revenues for both the General Fund and Multi-Purpose Reserve Fund, where these revenue sources are deposited. Therefore, implementing this program will not create an imbalance in these funds.

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BACKGROUND

Going into its tenth year, the Shop Oakland campaign is sponsored primarily by the City of Oakland and OMLF. The mission of Shop Oakland is to encourage people to patronize stores and businesses in Oakland, to encourage Oakland residents to buy in Oakland, and to promote Oakland as a regional shopping destination. Components used in previous years—and which will be used in 2003—are as follows:

- To assist merchants during the holiday rush:
 - Providing 75,000 quality shopping bags at very low or no cost to merchants
 - Providing “tool kits” on how to market and merchandise businesses during the holidays, and how to tap into the Shop Oakland campaign
 - Hosting a Shop Oakland campaign Kick-Off Breakfast for merchants and sponsors at the Lake Merritt scheduled for November 19

- To encourage Oaklanders, area residents and visitors to shop, dine in and enjoy Oakland during the end-of-year holidays:
 - Providing three (3) hours of free parking at designated City meters on Saturdays, November 29 through December 27, and eight (8) hours of free parking at the Franklin Plaza (Downtown), Montclair, and Frank G. Mar (Chinatown) Public Garages
 - Facilitating a cooperative media campaign with Oakland Holiday Magic consortium to promote holiday shopping, dining and entertainment opportunities

- To encourage Oaklanders, area residents and visitors to shop, dine in and enjoy Oakland year-round:
 - Incorporating the new Shop Oakland log—into all campaign materials, including shopping bags and the elegant new bus shelters now being installed citywide
 - Maintaining and enhancing the exclusive Shop Oakland website—www.ShopOakland.com—containing information on Oakland’s citywide shopping and dining opportunities
 - Continuing to implement a print cooperative ad campaign focusing on the year-end holidays, spring, and back-to-school, including sponsorships with key publications to provide free and/or discounted ad space (Cultural Arts & Marketing staff inaugurated a back-to-school advertising campaign in August, which ran in several newspapers, including *The Montclairian*; ads featured a map of Oakland commercial districts and short descriptions of many shopping areas)
 - Pitching editorial ideas to generate free publicity, highlighting unique shopping opportunities and districts, and seasonal offerings

Shop Oakland is funded by Community Development Block Grant, Redevelopment and general funds, and private contributions raised by OMLF. Shop Oakland is coordinated by Cultural Arts & Marketing and CEDA Business Development staff and OMLF volunteers.

The OMLF holds monthly, citywide meetings throughout the year with the goal of growing small retail business and fostering better business relations in Oakland by bringing together representatives of the City's 30-plus merchant and commercial district organizations. Dialogue includes collaborative problem-solving, information-sharing, and resource identification to promote neighborhood commercial areas and a vibrant downtown.

KEY ISSUES AND IMPACTS

City Council approval is requested for the Shop Oakland Parking Program for the 2003 holiday season. The Shop Oakland Holiday Parking Program offers patrons three hours of free parking on Saturdays at parking meters designated with special stickers located throughout the City. Enforcement continues at other restricted parking spaces (such as red, yellow, green, and white zones) and at meters after vehicles have occupied a space for more than three (3) hours. Enforcement is needed to promote turnover in spaces and availability for visits by more patrons.

To encourage further use of off-street parking garages that are underutilized on weekends, free parking up to eight (8) hours is offered at select City-owned garages. The garages for the Saturday Free Parking Program this year include the Franklin Plaza (Downtown), Montclair, and Frank Mar (Chinatown) garages. Employees are encouraged to park in the garages and not in prime, on-street spaces. Since late 2001, the Clay Street Garage has not charged for parking on Saturdays year-round.

Publicity for the program is done through the use of removable stickers on meters, local newspapers, newsletters, KTOP, banners at the designated parking garages, merchant holiday advertisements, and via word-of-mouth. CEDA and Cultural Arts & Marketing staff ensure that Parking Enforcement officers as well as merchants and commercial district leaders are familiar with details of the parking program. This has paid off with no complaints to CEDA staff during any of the 2000-2002 holiday seasons.

Along with the other campaign components, the parking program furthers City leaders' goal of revitalizing Oakland's commercial districts. Merchants—many of whom garner 25 percent of their annual sales during the holiday season—enthusiastically support and sincerely appreciate the free parking program as a key component of the Shop Oakland campaign. Merchant association leaders verbalize their support as follows:

- “In a district like Lakeshore, where parking is at a premium, the Shop Oakland parking program makes all the difference in the world. It’s been the biggest promotional feature of the campaign. People park once and spend all day and it’s a godsend. When you have both services and retail—people want to get lunch, do their shopping and go to the dentist or pick up dry-cleaning and when you’re multi-tasking you need more hours, and of course at holiday time parking and traffic are heavier. This is the real topping to the holiday ambiance. When people are rushed during the holidays, we can give them the **gift** of one less worry. Residents have gotten used to it and count on it and talk it up. At a time when the City image is not the strongest, this is one way of building the image of a caring city government. Right now there are few reflections of this, and this is one.”
- “Our merchants just love it. The fact that there is such a perception that there’s no parking to be found in Rockridge—it’s just so wonderful to announce that the City of Oakland is giving three hours of free parking. I think it really does drive business into the Rockridge District especially during the holiday season, and we love it! Do it again!”
- “Parking is a main issue for merchants all the time in Fruitvale, and anything that makes it easier for their customers to shop here is welcome.”
- “During the holiday season knowing that you have extra time at the meters (at no or decreased cost) provides extra encouragement to shoppers to shop in our districts.” (Piedmont Ave.)
- “Montclair greatly appreciates ‘free parking’ on Saturdays at the meters and in the garage during the holidays. It is a valuable marketing tool for getting customers to do their holiday shopping in Montclair.”

While providing a parking “holiday” does decrease the amount of revenues to the City, the Shop Oakland Parking Program is a tangible way the City shows its goodwill, providing an extra incentive for patrons to shop in Oakland. At its core, the campaign helps local merchants compete with nearby cities and shopping malls which offer free parking at this crucial time of the year. It is vital to invest in ways to encourage shopping in Oakland in order to grow the City’s sales tax revenues and retail profile.

SUSTAINABLE OPPORTUNITIES

The Shop Oakland campaign supports the City’s 3 Es: economy, environment and equity,

Economy—By marketing Oakland as a shopping destination and by helping the City’s merchants, the Shop Oakland campaign works to support and grow Oakland’s retail businesses, expand shoppers’ awareness of Oakland as a convenient place to shop, and increase the City’s sales tax revenues.

Retail businesses contribute to the vitality of the City through sales tax contributions and neighborhood vibrancy; employ Oaklanders, providing entry level through management positions; and provide limitless entrepreneurship opportunities for the self-employed.

Environment—The Shop Oakland Parking Program makes it easy for shoppers to park in one place for a long time, thus encouraging them to “bundle” holiday shopping trips and errands. The bags themselves are high quality, entirely recyclable, and are reused repeatedly by consumers thus saving countless lesser quality bags from ending up in landfills. City Public Works Agency Environmental Services Division Recycling Program is another long-time sponsor of the Shop Oakland campaign. As in past years, the “Oakland Recycles” slogan will be on the 75,000 shopping bags and other materials.

Equity—The Shop Oakland campaign supports shopping districts citywide in marketing holiday shopping and entertainment activities, and enhances the City’s work to bring vitality and retail shopping opportunities to the City’s neighborhood Commercial districts.

DISABILITY AND SENIOR CITIZEN ACCESS

The intent of the Shop Oakland campaign program is to increase shopping activity in the neighborhood commercial areas and strengthen the range of goods and services offered. With its focus on neighborhood commercial areas and with enticements such as the quality shopping bags to hold their purchases, the Shop Oakland campaign encourages people to shop and dine in their own neighborhood and adjacent commercial areas.

RECOMMENDATION AND RATIONALE

It is recommended that the Council approve the Shop Oakland Parking Program, consisting of three-hour free parking program at meters and eight-hour free parking at the Franklin Plaza, Montclair, and Frank Mar garages each Saturday from November 29 through December 27, 2003. The Shop Oakland Parking Program supports Oakland businesses in competing with surrounding areas and shopping malls during the holiday shopping season, and serves as an effective goodwill gesture on the part on the City. The program is an integral part of the Shop Oakland campaign.

ACTION REQUESTED OF THE CITY COUNCIL

Staff recommends that the City Council approve three-hour free parking at meters and free eight-hour parking at the Franklin Plaza, Montclair, and Frank Mar garages each Saturday from November 29 through December 27, 2003, as part of the Shop Oakland campaign.

Respectfully submitted,



**DANIEL VANDERPRIEM,
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APPROVED AND FORWARDED TO THE
FINANCE AND MANAGEMENT COMMITTEE


OFFICE OF THE CITY MANAGER

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