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# AGENDA REPORT

**TO:** Sabrina B. Landreth  
City Administrator  
**FROM:** Michele Byrd  
Director, HCD  
**SUBJECT:** Main Street Launch  
Professional Services Agreement  
**DATE:** March 31, 2016

City Administrator Approval *Christina Delgado* Date: *4/14/16*

## RECOMMENDATION

**Staff Recommends That The City Council Adopt A Resolution Waiving The Competitive Request For Proposal Selection Requirement And Authorizing The City Administrator To Negotiate And Execute A Professional Services Agreement With Main Street Launch (Formerly The Oakland Business Development Corporation) In An Amount Not To Exceed \$2,000,000 To Administer The Technical Assistance Element Of The East Bay Bus Rapid Transit Project Business Impact Mitigation Fund, Without Returning To City Council**

## EXECUTIVE SUMMARY

In September 2015, the AC Transit Board of Directors approved a Memorandum of Understanding (MOU) with the City of Oakland that provides a \$2,000,000 grant to support the Technical Assistance Element of the East Bay Bus Rapid Transit (BRT) Business Sustainability Program (BSP). Main Street Launch—formerly the Oakland Business Development Corporation (OBDC)<sup>1</sup>—has been serving businesses along the BRT route with technical assistance and support in preparation to mitigate business interruptions and revenue losses during BRT construction. Services include helping businesses build their customer bases through the use of websites, Facebook, and Yelp, upgrading signage, product displays and curb appeal, and improving business operations by taking credit cards and establishing business bank accounts.

Main Street Launch will also identify businesses that may potentially experience adverse permanent impacts due to BRT infrastructure, which may be eligible for Business Assistance and Sustainability funding for loans or grants to pay for physical improvements, such as for new facades, signage, entrance ways, and loading docks, for example.<sup>2</sup>

<sup>1</sup> The Oakland Business Development Corporation recently changed its name to Main Street Launch, which continues to operate as a tax-exempt public benefit corporation.

<sup>2</sup> The BAS-f eligibility criteria and administration support recommendations will be presented to the City Council in June in a separate report.

Item: \_\_\_\_\_  
CED Committee  
April 26, 2016

BRT construction is scheduled to begin in June 2016. The City and AC Transit need a highly qualified business services organization such as Main Street Launch on the ground in each of the construction zones working directly with businesses and BRT project staff to help reduce revenue loss due to construction and identify potential permanent adverse impacts to businesses due to BRT infrastructure.

The rationale for waiving the competitive selection process for the recommended Professional Services Agreement with Main Street Launch is based upon the organization's 36 years of business services experience in Oakland, its intimate knowledge of BRT route businesses, and the extensive analysis it has conducted of impacts businesses may experience during construction and post construction. In addition to the subject matter experts Main Street Launch has on its team, it also hosts that Alameda County Small Business Development Center (ACSBDC), which has 15 business experts at its disposal who can assist with business planning, operations, marketing, finance, goods distribution, hospitality, and technology.

### **BACKGROUND / LEGISLATIVE HISTORY**

The East Bay BRT is the largest construction project AC Transit has ever performed. It spans a total of 9.5 miles from 20<sup>th</sup> Street in Uptown Oakland to the San Leandro BART station. Eight and half miles of the BRT route are in Oakland, including all of International Boulevard and parts of East 12 Street. The BRT is among many major transit oriented development projects throughout the country and the world to increase the use of mass transit, reduce greenhouse gases and pollutants, and promote economic revitalization.

In the short-term, however, the BRT is a major construction project that will transform International Boulevard from a four-lane thoroughfare to a two-lane street with two bus-dedicated lanes. Construction, which will take at least two years for the entire route, will be disruptive. Curbside and median stations, along with new medians and no-left-turn zones, will create obstructions for cars and trucks used to the Corridor's current configuration. Businesses highly dependent on cars and trucks will be impacted.

The BRT project has gone through 12 years of planning and faced substantial opposition from community and business leaders who were and remain concerned about business and resident impacts and displacement. The Oakland City Council listened to the concerns raised by the Community and, with staff, worked with AC Transit on developing a comprehensive BSP. The focus of the BSP goes beyond the mitigation measures required under the Final Environmental Impact Statement/Report (FEIS/R) for the BRT project. The City Council adopted the FEIS/R in 2012 and placed local Conditions of Approval (CoA) on the BRT project that include additional parking and business impact mitigation requirements, local hiring provisions, and design requirements, such as curb-to-curb repaving and pedestrian lighting and safety measures.

In 2013, AC Transit and the City entered into a Master Cooperation Agreement (MCA), which included \$22.7 million for implementing the CoA for Business and Parking Impact Mitigation activities and roadway, bicycle and pedestrian improvements. In 2014, the AC Transit General

Manager at the time agreed in principle to allocate \$2.5<sup>3</sup> million to the BSP to be administered by the City. The City in turn committed a \$2.0 million in match for the BSP. AC Transit's contribution to the BSP is going towards the Business Technical Assistance Element, while the City's contribution is allocated for the Business Assistance and Sustainability Fund (BAS-f). In November 2014, the City Council unanimously adopted Resolution No. 85284 C.M.S. to accept and appropriate AC Transit's contribution for the development and implementation of the City's BRT project BSP Business Impact Mitigation Program.

Knowing that it would take time for AC Transit's funding to materialize, the City Council adopted Resolution No. 85285 C.M.S., waiving the competitive Request for Proposal (RFP) selection requirement and approving a Service Agreement with OBDC in an amount not to exceed \$500,000 of Community Development Block Grant (CDBG) funds to administer the start-up phase of the Technical Assistance Element of the City's BRT Business Impact Mitigation Program. The City executed its \$500,000 contract with OBDC in May 2015.

The Oakland City Council's action with regard to the OBDC contract was unanimous. OBDC has been providing business services in Oakland since 1979. For the past 15 years, OBDC has administered the City's commercial lending program in compliance with its contracts and HUD/CDBG requirements. While OBDC/Main Street Launch embraces the transformative vision of the BRT project, it also recognizes the challenges the project will create for businesses along the route. Since OBDC/Main Street Launch has been gearing up for BRT construction business impact mitigation services, it has accomplished the following outcomes:

- ❖ Assembled a team of business services and outreach staff familiar with the BRT project and businesses along the route who speak Cantonese, Mandarin, Spanish, and Vietnamese, as well as English.
- ❖ Verified the existence of 1,138 organizations along the BRT route that are currently in operation, 929 of which are commercial businesses.
- ❖ Performed 288 Business Needs Assessments, which is an extensive survey with business owners that examines current operations, future business planning, marketing techniques, capital needs and financing, curb appeal, lighting, signage, security, customer analysis, and use of technology.
- ❖ Provided more than 2,000 hours of one-on-one technical assistance through staff and ACSBDC subject matter experts.
- ❖ Established a Salesforce Customer Relations data platform for each business and is working with AC Transit Construction Community Relations Managers to assist with their use of Salesforce. This data platform will be the basis of a new directory of businesses along the BRT route to attract customers and promote sales.
- ❖ Raised \$2.7 million in additional business assistance and development resources targeted exclusively for International Boulevard.

There is no organization in Oakland with the experience, capacity and expertise that OBDC—now Main Street Launch—has to assist businesses with getting through the challenges of BRT construction, and with positioning their operations for the economic revitalization that will occur along the BRT route, and particularly along the International Boulevard Corridor. For more

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<sup>3</sup> The City actually received \$2.0 million of the \$2.5 million for the BSP Technical Assistance Element.

detailed information on OBDC/Main Street Launch's performance, please refer to **Attachments A & B**.

### **ANALYSIS AND POLICY ALTERNATIVES**

A survey conducted two years ago along stretches of the BRT route indicate that many of the businesses have five or fewer employees, gross less than \$100,000 annually, have been in operation for five years or longer, and are owner-operated. The survey also indicated that the majority of these business owners believe that the BRT will have a negative impact on their operations.

While survey methodologies are subject to debate, a tour of the BRT route in Oakland, particularly on International Boulevard, clearly reveals that the majority of businesses are small and thus likely operate on thin profit margins. Therefore, any changes to customer access pose challenges to their viability. The City and AC Transit developed the BRT BSP to enable businesses along the BRT route to remain viable during construction and to thrive to the greatest extent possible once the BRT is operational.

### **City/AC Transit Roles and Responsibilities**

In January 2016, the City and AC Transit executed a Memorandum of Understanding (MOU) with a Scope of Work for the BRT Business Sustainability Technical Assistance Element, funded with an AC Transit grant of \$2,000,000. Based on the City's \$500,000 start-up phase contract, AC Transit assumes that its \$2,000,000 grant will be used to build off of the City's investment in the Business Impact Mitigation Technical Assistance Element work performed by OBDC/Main Street Launch. The Scope of Work for the grant agreement between AC Transit and the City is presented as **Attachment C**. The following is a synopsis of key elements taken from the MOU between the City and AC Transit regarding the \$2,000,000 Technical Assistance Element grant:

The Oakland BRT Project Business Impact Mitigation strategy as presented in the MOU is comprised of two components:

- The AC Transit Business Impact Mitigation Plan
- The City of Oakland Business Sustainability Program

The objectives of Business Impact Mitigation Plan/Business Sustainability Program are as follows:

1. Mitigate BRT Corridor Indirect Impacts on business operations;
2. Prepare impacted businesses to access additional resources or financial assistance if they meet the eligibility criteria;
3. Increase business capacities and productivity; and
4. Avoid business relocation and closure.

**AC Transit Roles and Responsibilities**

Under the AC Transit Business Impact Mitigation Plan, impacts for which AC Transit is responsible to address are summarized as follows:

1. Direct Impacts: This includes direct BRT Project impacts for businesses:
  - That are located directly adjacent to curbside platforms;
  - That are in the direct vicinity of median platforms;
  - That have driveway impacts; or
  - That have other direct temporary and/or permanent impacts due to project construction and operations.
  
2. Direct Temporary Construction Impacts, which include:
  - Construction phase impacts described in the Final Environmental Impact Statement/Report (FEIS/R) and the approved Business Impact Mitigation Plans (BIM-Ps) for BRT Project Construction; and
  - Stage Construction and Traffic Handling Plans listed under the AC Transit Business Support Activities Program, such as noise, dust, restricted visibility and/or access, on-street parking suspensions, and traffic detours.
  
3. Direct Permanent Construction Impacts: For the purposes of the BRT Project-funded Business TA Project, these include:
  - Post-construction impacts described in the FEIS/R; and
  - The approved AC Transit BIM-Ps, and/or the final plans, specifications and estimates for Bid Packages #2 and #3, such as driveway closures, restricted visibility and/or access, parking displacement, new traffic rules, and increased traffic congestion.

**City/Main Street Launch Roles and Responsibilities**

As the City's Business Impact Mitigation Fund Technical Assistance contractor, Main Street Launch has been responsible for designing, implementing, and managing the BRT Business Technical Assistance program on behalf of the City of Oakland. Its roles and responsibilities include the following:

1. Designing and delivering Business TA services to every business in operation along the BRT route that wants services;
2. Interacting with AC Transit and the City of Oakland Community Outreach Managers and other personnel to ensure that Technical Assistance services and other BRT Corridor services to businesses are well coordinated;
3. Finalizing the eligibility criteria for Business Assistance and Sustainability Fund (BAS-f) financial assistance programs developed to help permanently impacted businesses along the BRT route;
4. Recruiting, hiring, and managing the technical assistance staff, independent contractors, and subject-matter business and technical experts;
5. Building community ties to raise awareness about the Technical Assistance program;
6. Creating a communication strategy with AC Transit about the BRT project and related business services;
7. Maintaining a technology system to provide service delivery including:
  - Tracking the number and type of technical assistance services that are requested;

- Registering the businesses receiving service and tracking business interactions through the Salesforce customer relations platform;
  - Recording consulting sessions and workshop services;
  - Capturing business impact and performance data; and
  - Tracking business satisfaction.
8. Customizing its current technical assistance curriculum and designing new curriculum as appropriate to assist BRT route businesses that have limited time for workshops;
  9. Providing business access to appropriate resources depending upon their business needs;
  10. Maintaining close community contact to ensure that businesses are getting the support they need;
  11. Identifying businesses that appear to be subject to permanent adverse impacts due to BRT infrastructure; and
  12. Ensuring the program remains in compliance with fiscal and other requirements by conducting necessary audits, producing reports, and submitting detailed invoices with supporting cost documentation as required by AC Transit and the Alameda County Transportation Commission.

***Pre-Construction Business Technical Assistance***

City of Oakland and AC Transit staff and project consultants have been meeting to clarify roles and responsibilities regarding business outreach and technical support during the largest phase of BRT construction, which is scheduled to begin in June 2016. In the meantime, businesses are taking advantage of Main Street Launch's subject-matter expertise to broaden their customer bases through the use of websites, social media such as Facebook and Yelp, and improving visibility through enhanced signage, as well as improved business operations by taking credit cards and establishing business bank accounts. Per its current contract Scope of Work, OBDC/Main Street Launch has completed the "start-up phase" of BRT Business Impact Mitigation Fund Technical Assistance Element by verifying businesses along the route and building relationships with more than 400 businesses along the route in anticipation of construction.

***Readiness for Phase 1 Construction; Zones 8, 10, and 12***

To avoid over-concentration of construction activity in any given neighborhood along the BRT route, AC Transit, City staff, and construction design consultants developed a "hop-scotch" approach to construction in designated phases and Zones. Phase 1 of construction focuses on the Caltrans Right-of-Way portion of International Boulevard/East 14<sup>th</sup> Street, from 42<sup>nd</sup> Avenue south to San Leandro. The first three Zones designated for construction in Oakland are as follows:

- Zone 8: 42<sup>nd</sup> Avenue to 52<sup>nd</sup> Avenue
- Zone 10: 63<sup>rd</sup> Avenue to 71<sup>st</sup> Avenue
- Zone 12: 85<sup>th</sup> Avenue to 93<sup>rd</sup> Avenue

The OBDC/Main Street Launch team has focused efforts within these three Zones to verify business ownership, do phone and in-person outreach, and perform extensive assessments of business needs in anticipation of construction, as well as beyond construction. Main Street

Launch, City staff, and AC Transit CCRMs meet regularly to coordinate efforts and establish communication processes and protocols designed to minimize to the greatest extent possible business interruptions and loss of revenues due to BRT construction. This includes working on an integrated Salesforce Customer Relations platform that enables each agency to be up to date on interactions with businesses along the Corridor. They are also working closely with project construction managers and consultants to anticipate which businesses may be most impacted by construction as well as by adverse permanent obstructions that could have long-term negative effects on business sustainability.

Through an effective structure of Interagency Coordination and Executive Partnering Meetings, AC Transit and City project senior managers are also working closely together to ensure that communication protocols among both entities and our respective staffs and consultants are clearly established and followed consistently.

***BRT Technical Advisory Committee Technical Assistance Recommendations***

The Technical Advisory Committee (TAC) formed to assist OBDC/Main Street Launch and City staff to formulate eligibility criteria for the disbursement of the \$2,000,000 BAS-f, included in its final proposal the following tasks presented verbatim as they relate to Main Street Launch's TA contract:

1. Make good faith efforts to contact all businesses on the corridor, including at least three attempts to visit in person, with an offer to explain the BRT Project infrastructure and parking configuration changes caused by the BRT that are to occur within two blocks of their business.
2. In coordination with the AC Transit Community Construction Relations team, explain the BRT Project infrastructure configuration changes to every contacted business.
3. Assist businesses in identifying what, if any, negative impacts the changes in configuration will have on their businesses.
4. Provide businesses with consultation, if desired, to develop a plan to address impacts.
5. Inform businesses of both AC Transit and City provided programs and resources to address the impacts, and provide ongoing coordination and support for businesses working with AC Transit.
6. Assist businesses in meeting BAS-f threshold eligibility criteria, i.e. license and permitting, addressing liens, negotiating leases, etc.
7. Recommend candidate businesses for BAS-f grant funding.
8. Assist in implementation of solutions if desired.

Tasks one through seven are covered implicitly in the existing Scope of Work in the City's MOU with AC Transit and will be incorporated explicitly in the City's contract with Main Street Launch. Task eight, however, is tied directly to the administration of the BAS-f, which will be part of a separate Scope of Work and contract to come before the City Council in June.

**No Policy Alternative**

Given the investment that the City has made with the start-up phase contract with OBDC and the knowledge it has gained about the BRT project and the businesses along the route, staff stands firmly behind its recommendation to enter into a \$2,000,000 Professional Services Agreement with what is now called Main Street Launch. It has performed well under its start-up phase contract, is effectively positioned to assist businesses through the construction of the BRT, and has attracted substantial resources from other sources to supplement and enhance the funding in hand targeted for business retention and economic revitalization, particularly along International Boulevard.

The BRT is a very complicated project involving more than 1,000 businesses with a wide range of needs, concerns, languages, cultures, and business types and models. While members of the TAC provided recommendations for how OBDC/Main Street Launch should conduct its work, staff views this as productive, constructive, and supportive of the path we are on. As always, staff and Main Street Launch are receptive to advice for how to better serve our business customers before, during and after construction of this transformational project.

**FISCAL IMPACT**

Funding for this recommended contract has been accepted and approved for appropriation by the City Council by way of Resolution No. 85284 C.M.S., adopted November 18, 2014. Funding for the \$2,000,000 BRT Business Technical Assistance grant from AC Transit by way of an award from the Alameda County Transportation Commission was approved by the AC Transit Board of Directors in September 2015. The City received the Purchase Order for the funding from AC Transit in January 2016.

The funding block for this one-time AC Transit \$2,000,000 grant shall be appropriated as follows:

<b>Fund Source</b>	<b>Organization</b>	<b>Project</b>	<b>Program</b>	<b>Amount</b>
Fund 2999, Miscellaneous Grants Fund	Org 89919, Dept. of Housing & Community Development Administration	Project P472240, (to be renamed BRT BIM)	Program W985, AC Transit BRT	\$2,000,000

***Other Fiscal Impact Considerations***

The funding for the Technical Assistance Element of the Business Impact Mitigation Fund is secured and appropriated. In addition, the City Council has appropriated \$2,000,000 for the Business Assistance and Sustainability Fund (BAS-f) to provide direct monetary assistance to businesses that experience adverse permanent impacts from BRT infrastructure changes. In June, staff will present initial findings and recommendations for the disbursement of these funds to the City Council concurrent with other BRT-related reports and resolutions.



## **PUBLIC OUTREACH / INTEREST**

For more than three years, staff has consulted with numerous organizations and individuals who informed the development of the BSP for the BRT, including the following: the BRT Community Outreach Work Group, which was comprised of the East Bay Asian Local Development Corporation (EBALDC), the Unity Council, the Downtown Oakland/Lake Merritt Community Benefit District, the East Bay Asian Youth Center (EBAYC), Oakland Citizens Committee for Urban Renewal (OCCUR), Allen Temple Baptist Church, Transform, and the City of San Leandro.

In December 2015, staff convened a BRT/BSP TAC to develop eligibility criteria recommendations for the use of a \$2,000,000 BAS-f appropriated by the City Council in 2014 for the express purpose of providing financial support for businesses facing adverse permanent impacts as a result of BRT infrastructure that are not covered by AC Transit's FEIS/R requirements. Members of the TAC represent the Oakland Chinatown Chamber of Commerce, the Lake Merritt/Uptown Business Association, the Eastlake Merchants, the San Antonio District merchants, the Fruitvale Business Improvement District, the Havenscourt/Lockwood District, the Hegenberger District, and Allen Temple Baptist Church in the Elmhurst District. The TAC's recommendations will be included in staff's report on initial findings and recommended guidelines for the disbursement of the BAS-f in June.

## **COORDINATION**

The Business Sustainability Program is a joint effort among the following entities:

- AC Transit
- Oakland Public Works
- The Economic and Workforce Development Department
- The Housing and Community Development Department
- The City Administrator's Office Contracts and Compliance Division

The Office of the City Attorney and the Controller's Bureau reviewed and signed off on this report and resolution. The Office of the City Administrator was instrumental in negotiating funding agreements with AC Transit.

## **PAST PERFORMANCE, EVALUATION AND FOLLOW-UP**

**Past Performance/Evaluation:** OBDC has been administering the City's CDBG-funded Commercial Lending Program since 2002. OBDC's most current HUD required On-Site Performance Monitoring Report reflects compliance with all grant and loan administration and accounting requirements and satisfactory performance of all contract terms.

Since May 2015, OBDC has been working under a \$500,000 CDBG-funded Business Sustainability Program—Technical Assistance Element “start-up phase” contract. The following

is a synopsis of the work OBDC has performed and the results accomplished from May 1, 2015 through March 31, 2016, with goals based on a contract to run through June 30, 2016:

- Assembled a team of business services and outreach staff familiar with the BRT project and businesses along the route who speak Cantonese, Mandarin, Spanish, and Vietnamese, as well as English.
- Verified the existence of 1,138 organizations along the BRT route that are currently in operation, 929 of which are commercial businesses.
- Performed 288 Business Needs Assessments, which is an extensive survey with business owners that examines current operations, future business planning, marketing techniques, capital needs and financing, curb appeal, lighting, signage, security, customer analysis, and use of technology.
- Provided more than 2,000 hours of one-on-one technical assistance through staff and ACSBDC subject matter experts.
- Established a Salesforce Customer Relations data platform for each business and is working with AC Transit Construction Community Relations Managers to assist with their use of Salesforce. This data platform will be the basis of a new directory of businesses along the BRT route to attract customers and promote sales.
- Raised \$2.7 million in additional business assistance and development resources targeted exclusively for International Boulevard.

Please refer to **Attachments A & B** for a detailed performance report on OBDC's BRT Business Sustainability Program Technical Assistance work through March 31, 2016.

## **SUSTAINABLE OPPORTUNITIES**

**Economic:** The viability and sustainability of small businesses are essential for Oakland's economic health. While the BRT project offers hope for a strong and vibrant transit-oriented commercial corridor, its construction and permanent infrastructure will disrupt some business operations. The Technical Assistance Element of the Business Sustainability/Business Impact Mitigation Program provides critically needed services to businesses along the BRT route to minimize revenue reductions during construction and maximize business growth opportunities through technical assistance services.

**Environmental:** The BRT is a major transit oriented development project that will reduce greenhouse gas emissions by significantly improving access to mass transportation.

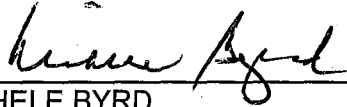
**Social Equity:** The businesses that have received technical assistance services and will receive services represent the rich ethnic diversity of Oakland. The majority of the businesses along the BRT route are very small with annual gross receipts of less than \$100,000. The technical assistance services are designed and aligned to assist all businesses equitably regardless of size.

**ACTION REQUESTED OF THE CITY COUNCIL**

Staff recommends that the City Council adopt a resolution waiving the competitive Request for Proposal selection requirement and authorizing the City Administrator to negotiate and execute a Professional Services Agreement with Main Street Launch (formerly the Oakland Business Development Corporation) in an amount not to exceed \$2,000,000 to administer the technical assistance element of the East Bay BRT Project Business Impact Mitigation Fund, without returning to City Council.

For questions regarding this report, please contact Al Auletta, International Boulevard Corridor Program Manager, at 238-3752.

Respectfully submitted,



MICHELE BYRD

Director, Department of Housing and  
Community Development

Prepared by:  
Al Auletta, Program Manager  
International Boulevard Corridor Project

*Attachments (3):*

- A. *OBDC/MSL TA Contract Performance Summary*
- B. *OBDC/MSL Performance Narrative*
- C. *City/AC Transit MOU Scope of Work*

**Dashboard for BRT \$500,000 Technical Assistance Contract**

Technical Assistance - By Month													Contract	Exceed
	May-15	Jun-15	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16	Total	Goals	(Below)
Total Public Outreach (Business & Non-Business Verification)	30	35	40	59	290	230	196	58	29	5	166	1138	NA	
1-on-1 Consulting	1	1	0	1	9	54	29	100	49	34	10	288	100	188
Workshop Attendees						5	6	0	1	2	2	16	300	(284)

Technical Assistance - By Quarter										Contract	Exceed				
	Qtr End Jun-15			Qtr End Sep-15			Qtr End Dec-15			Jan-16	Feb-16	Mar-16	Total	Goals	(Below)
Public Outreach and Communication		65			389			484				200	1138	1,000	138
Technical Assistance Services Provided (1 on 1)		2			10			183				93	288	100	188
Request for Technical Assistance and responses		0			4			149				57	210	300	(90)
No. of Businesses Open, Closed, Relocated	(tracked after BRT construction begins)														
Number of Jobs Created Retained or Lost	(tracked after BRT construction begins)														
Revenue Growth or Declines	(tracked after BRT construction begins)														

Technical Assistance - By Neighborhood									
	Down-town	China-town	East Lake	San Antonio	Fruitvale	Havens-court/Lockwood	Hegen-berger	Elmhurst	Total
Businesses Verified as Open	168	18	168	65	260	83	65	102	929
Needs Assessments Completed	39	6	32	12	70	68	22	39	288
Business Left to Verify	6	4	55	14	36	7	4	1	127

Technical Assistance - Economic Data	
(1 on 1 Consulting)	YTD Total
Female Head of Household	92
Income Data	
- Decline to answer	106
- Extremely Low Income (0 - 30% AMI)	46
- Low Income (31 - 50% AMI)	48
- Moderate Income (51 - 80% AMI)	26
- Non-Low/Moderate Inc. (>80% AMI)	62
Total	288

Technical Assistance - Race Data	
(1 on 1 Consulting)	YTD Total
Decline to answer	8
Hispanic	89
White	39
Black	39
Asian	108
American Indian/Alaska Native	1
Native Hawaiian/Other Pacific	4
Total	288

**OBDC City of Oakland  
Business Sustainability Program (BSP)  
Contract Performance Report**

## **Background**

Beginning in May 2015, The City of Oakland and OBDC entered into a contract to develop and launch startup phase of the supplemental Oakland Business Sustainability Program (BSP) to provide technical assistance services to help businesses along AC Transit's East Bay Bus Rapid Transit (BRT) Project. The BRT is a new bus transportation system that employs a combination of new technologies and facilities to create a safer, faster, more reliable and more comfortable transit service along the locally preferred public transit route that runs 9.5 miles from northern transfer station at Broadway & 20th Street in Uptown Oakland to the San Leandro BART (Bay Area Rapid Transit) Station (BRT Project Route). The BRT Project will construct new 38 station platforms along approximately 8.5 miles in Oakland, California.

The Business Sustainability Program was established to support businesses along the new BRT route via a comprehensive business impact mitigation program that supports business development, mitigates temporary and permanent construction and promotes long-term economic development which support a successful transit system and commercial corridor revitalization goals.

The program was launched with a \$500,000 grant from the City of Oakland to OBDC to develop the "Business Sustainability Program – Technical Assistance Element", and support program operations over the initial 10 months.

Below are program accomplishments to date listed by the contracted Objectives:

### **Objective No. 1: To produce a database of businesses along the BRT Corridor in Oakland.**

To date, OBDC has verified 1,138 organizations along the BRT route of which 929 are verified as for profit businesses. These businesses have been verified as open and operating based upon both a telephone survey and in-person site visits.

The business verification process included creating a list of businesses "to be verified" by combining lists that OBDC received from three sources. This combined list resulted in 1,685 businesses (it was expected that combining these lists resulted in some duplicate entries). The table below summarizes the lists that were combined to create the initial list of 1,685 businesses to be verified:

#	Source	File Name	# of Entries	Benefit	Gaps
1	Northern Real Estate	"Combined MF Directories" 4/14/2014	1,176	Has parcel numbers	- No phone numbers - No downtown or Chinatown neighborhood addresses. Only International Blvd. addresses
2	AC Transit East Bay BRT Station Impact Matrix	ARUP_2015 04 15 BRT	689	Has station information	- No phone numbers - Does not include businesses near median stations. Only downtown and San Antonio
3	SBDC National Information Clearinghouse at the Institute for Economic Development at the University of Texas at San Antonio.	SBDC database	1,600	Has phone number and address  Has detailed information such as financial and employee information	- About 40% of information proved to be out of date

OBDC is still hoping to receive a list of businesses from AC Transit. Previous meetings to review the merchant data that AC Transit houses in Salesforce have been rescheduled. From there a determination will be made as to whether it will be necessary to combine the AC Transit merchant data with the OBDC merchant data.

**Objective No. 2: To develop a business financial and operational survey.**

OBDC has developed a rigorous financial and operational survey which is now referred to as the "Needs Assessment." To date, OBDC has completed 288 needs assessments. This Needs Assessment is used in the first one-on-one meeting with the businesses to determine how best to assist the business with building its business strength and capabilities to both prepare for the impact of BRT construction and be well positioned for growth once the BRT is complete.

This Needs Assessment has approximately 111 questions, grouped by the following categories:

- Account information
  - Contact information, Industry Classification, Preferred Language
- Business and Owner information
  - Women/Minority ownership, Entity Type, Household Income and Size
  - Number of Employees, Revenues, Years in Business
  - Lease information; Computers and technology Information
  - Future plans
- Marketing/Customer Interaction Information
  - Online and offline marketing efforts
- Capital Needs/Curb Appeal
  - Lighting; Signage; Façade Improvement; Security Cameras; Equipment; Remodel

- Security problem
- Finance/Administration
  - Loans; Lending Circle; Permits; Succession Planning
- Customer Analysis
  - Gender; income; ethnicity; age; technology usage; frequency; spending amount
- Location Information
  - Neighborhood; Parcel number; CDFI Census tract; LMI;
- BRT Impact
  - Parking; Median station; curbside station; Enhanced Station; Left-turns;
- Field Verification
  - Phone; site; Aware of BRT; Interest in more information, community meeting, one-on-one consulting, seminar

### Needs Assessment Learnings Snapshot

OBDC's research and work in preparing for the Business Sustainability Program revealed that some of the most effective ways to prepare businesses for construction project impacts is work with them to determine the best way to attract and stay in touch with customers. This can be accomplished by providing marketing assistance and helping to make the business more attractive through physical improvements to enhance curb appeal. Therefore the Needs Assessment in part tried to determine which businesses were interested in receiving marketing assistance, the type of marketing assistance they were interested in, and which businesses were interested in making capital improvements to enhance their curb appeal.

The key marketing learnings are summarized below (this data does not include respondents who did not answer the question):

#### Marketing Assistance

- 93% want to be in an online merchant directory
- 65% do not have a website and want help with a website
- 53% want help with Yelp
- 73% want help with Google Places
- 53% want help with offline marketing

#### Curb Appeal

- 65% want new lighting
- 67% want new signage
- 67% want façade improvements
- 60% want security cameras

The Needs Assessments also reveal that the majority of the businesses are micro-businesses with less than \$100,000 in revenue and household incomes of less than \$60,000, making them particularly vulnerable to the slightest decrease in revenue or cash regardless of the cause. At the same time, 66% of the respondents report being in business for more than 5 years which may indicate that the business is a meaningful contributor to their livelihood, otherwise they would have already closed.

These business vulnerabilities and owner characteristics are summarized below (this data does not include respondents who did not answer the question):

**Business Vulnerabilities:**

- 85% rent their space
- 35% report that they do not use a computer
- 87% have less than 5 employees
- 65% have less than \$100,000 in revenue
- 66% have been in business for more than 5 years and 43% more than 10 years

**Owner Characteristics:**

- 37% are women owned businesses
- 84% are minority owned businesses
- 67% report household incomes of less than \$60,000

One-on-one consultations with some of these businesses reveal a lack of awareness of tools that can be used to improve their operations. Here are some results businesses have achieved after meeting with Business Sustainability Program advisors:

- Artesanias Mexicanas el Sol, located in Fruitvale, increased revenues from \$30 - \$40 per day to \$200 - \$300 per day after she established a business bank account, started taking credit cards, and began promoting her business on Facebook.
- 89<sup>th</sup> Avenue Lock and Key, located in Elmhurst, revamped his website, set-up his Facebook and Yelp page. He has reported now receiving customers from the Lake Merritt neighborhood because they found him on Yelp.

**Objective No. 3: To develop eligibility criteria for the Oakland Business Sustainability Program and create a definition of temporary and permanent indirect impacts not covered by the AC Transit TA program.**

OBDC is in the process of developing an online robust mapping tool which will document the existing economic conditions along the BRT route including (in-part) location of businesses, property ownership, parcel information and BRT infrastructure elements such as station locations, length of medians, parking, and left-turn lanes. This mapping tool will be used to inform and track temporary and permanent indirect impacts.

In addition, OBDC has worked with the City of Oakland to establish a Technical Assistance Advisory Committee (TAC) to assist with the development of the eligibility criteria identified in Process Objective 3. The TAC was formed to provide input on the recommendation that OBDC and city staff will make to City Council regarding the Business Sustainability \$2 million Fund. OBDC will completed its recommendation by March 31, 2016.

**Objective No. 4: To maximize business participation in the Oakland Business Sustainability Program through marketing and communication efforts.**

OBDC has hired a team of individuals (discussed further in Process Objectives 5 and 6 below) to conduct extensive marketing and communication efforts. In addition OBDC created the following collateral material which is used during its marketing efforts:

- Business Sustainability Program Flyer in English, Spanish, Vietnamese, and Chinese
- Information Session Flyer in English, Spanish, Vietnamese, and Chinese



- Workshop flyers
- How to get more customers flyer

**Objective No. 5: To recruit for and hire a Lead Business Advisor and Community Outreach Manager to work with and consult with businesses along the BRT corridor.**

OBDC hired the following individuals to conduct outreach and consult with businesses along the BRT Route:

Name	Title	Expertise
Karla De Leon	Lead Business Advisor - Fruitvale Outreach	One-on-consulting; Native Spanish speaker; city planning; financing for small businesses
Deb Doyle	Marketing Business Advisor	Previously worked with businesses impacted by construction
Diane Lewis	Business Outreach Manager - Havenscourt, Hegenberger, Elmhurst	25 years outreach experience. Has previously done community outreach in these neighborhoods
Vanessa Tam Lam	Business Outreach Manager - San Antonio, East Lake	Speaks Vietnamese, Mandarin and Cantonese; Data analytics
Karolyn Wong	Business Outreach Manager - Downtown, Chinatown	Speaks Mandarin. Previous experience with immigrant population
Daniel Francis	Marketing and community development Intern	Assists with business directory, data collection, presentation and mapping
Victor Valerio	Marketing and community development intern	Civil engineering degree. Assists with mapping, business directory, and data analysis.

**Objective No. 6: To recruit and hire subject-matter experts in various areas to benefit businesses along the BRT corridor.**

As of January 2016, OBDC became host of the Alameda County Small Business Development Center (ACSBDC). The ACSBDC specializes in providing one-on-one consulting and workshops to small business owners to address challenges, seize opportunities and grow their bottom line. The ACSBDC has a team of 15 subject matter experts available to work with businesses along the BRT route to address their specific business concerns. See exhibit below:

ALAMEDA COUNTY SBDC KEY PERSONNEL AND SUBCONTRACTORS			
Advisor	Primary Areas of Expertise	Education/Certifications	Company Experience
Lee Lambert/ Director	Business Development, Finance, Startups, Management	BS Finance, UC Berkeley, MBA, Harvard University	Ernst & Whinney, Deloitte, Van Kasper, Samsung Electronics, Simple Buyout Plans
F.J. Cava	Generalist	BS, San Francisco State University	Cava Consulting, Inveneo
Paula MattisonSierra	Marketing, Operations, Wholesale, Production, Retail	BA Marketing, Bernard Baruch College Fashion Institute of Design	SF Power Marketing, Instructor - Fashion Institute of Design
Deagon Williams	Food Manufacturing, Mobile Food Vending, Restaurants	BA, MBA Mills College Grand Diplome d'Etudes, La Varenne	Culinary Business Strategy Center for Culinary Development
Ed Duarte	Construction	BS Civil Engineering, Fresno State	Caltrans Bridge Engineer, Instructor, Caltrans Contracting Program
David Gray	Restaurants, Hospitality, Food, Finance	BS Cal State University, Sacramento	Bi-Rite, Vine Solutions, Moana Hotels
Tara Lynn Gray	Crowdfunding, Information Technology	BA, Saint Mary's College	Yadari Enterprises
Mari Lovalvo	Finance, Generalist	BA, University of California, Riverside	Federal Financial Group
Maria Mejia	Finance	BS, I.C.E.S.I	Union Bank, Chase Bank, Wells Fargo
TheIma Tajirian	Generalist, Finance	Executive MBA, USC	Silatech, Wells Fargo, Louis Berger Group
David Bokash	Website Development, Search Engine Optimization	BSIE, Purdue University, MBA, Harvard University	Federal Express, SAP
Ron Barrett	Business Loans and Finance, Marketing	BA, San Francisco State University	Pride Electronics, Bank of Alameda, Intech, Merrill Lynch
David Mitroff	Social Media, Marketing	BA, San Francisco State MA PhD, CA School of Prof. Psychology	Piedmont Avenue Consulting, Lexis/Nexis
Bob Komoto	Import/Export	BS, Harvey Mudd College MS, Santa Clara University	American Products International
Tom Yeh	Finance, Strategy	BS, University of California	Siteler, AT&T, Sony

**Objective No. 7: To hire workshop instructors with expertise in areas most needed by the businesses along the BRT corridor, with language capabilities that reflect the cultural communities that exist along the corridor.**

To deliver workshops, in addition to working with the ACSBDC consultants described in Process Objective 6 above, OBDC has also worked with the following instructors to deliver workshops for BRT Businesses:

Workshop Name	Instructor	Content
Crowdfunding with Kiva Zip	Brian McKowen, Kiva Zip	Help businesses raise a \$10,000 0% interest loan to fund their business.
New Ways to Grow Your Business	Darlene Crane, Business Growth Studios	Help grow revenues from under \$100,000 to more than \$500,000
Commercial Leasing for Small Business	Crystal Cole, Lawyers Committee for Civil Rights	Help business more effectively negotiate with Landlords
Tax Tips for Small Business	Marcus Warren, Owner Liberty Tax	Help businesses prepare their taxes
BRT and BSP Overview	Paula Groves, BSP Program Director	Inform business owners about the new BRT system and the services available to them

OBDC is also currently exploring a partnership with "Hack the Hood" to create ways to develop website for free for BRT businesses. The business would only have to pay the ongoing hosting and maintenance fees.

**Objective No. 8: To augment existing technology platform to create customized BRT consulting and workshop delivery module.**

OBDC has developed a customized Salesforce module tailored to work with BRT businesses. This Salesforce tool captures data and creates reports for the Needs Assessment information. It will also be used to capture information and populate the merchant directory that is currently desired by 93% of the businesses that have completed the Needs Assessment to date.

**Objective No. 9: To conduct community outreach regarding technical assistance needs.**

As noted in Process Objective 5, OBDC has hired a team of seven individuals all of whom are involved in community outreach. This is evidenced by the 1,138 verifications and the 288 Needs Assessments completed to date. In addition, members of the OBDC BRT team attend the following community meetings:

- Oakland Sustainable Neighborhood Initiative meetings
- Area 5 Response Team Meetings

In addition, OBDC is creating strategic partnerships with the Unity Council to further serve business through work force development and job subsidies.

**Objective No. 10: To design and deliver workshops to businesses on business growth and mitigation strategies.**

See response to Process Objective No. 7 above.

**Objective No. 11: To conduct one-on-one business consultations with businesses along the BRT corridor.**

To date, OBDC has deployed more than 2,000 hours for 210 in one-on-one business consultations. These hours have been spent working with businesses to complete their Needs Assessment, Marketing Plans and implementation, completing Merchant Directory Forms, and setting up their online presence to attract new customers. In addition the OBDC BRT team has assisted businesses with financial projections and loan preparation.

**Objective No. 12: To conduct client satisfaction surveys of workshop attendees and business clients.**

It is OBDC's intention to conduct client satisfaction surveys after six months of having engaged in a longer term client relationship with the OBDC team, which included meeting with an OBDC BRT team member for at least three sessions. April will mark the first six month period.

**CITY OF OAKLAND'S  
AC TRANSIT GRANT  
BRT BUSINESS SUSTAINABILITY PROGRAM  
TECHNICAL ASSISTANCE  
SCOPE OF WORK**

**Background:**

The City of Oakland and AC Transit have agreed to work as partners towards the development and implementation of a comprehensive business impact mitigation program called the Business Sustainability Program (BSP). The BSP supports business development, mitigates temporary and permanent construction impacts, and promotes long-term economic development, which support a successful transit system and commercial corridor revitalization goals.

The Technical Assistance Element of the Business Sustainability Program provides \$2 million in funding over a three-year period to support impacted for-profit businesses along Oakland's portion of the BRT route, the locally preferred public transit route that runs 9.5 miles from northern transfer station at Broadway & 20th Street in Uptown Oakland to the San Leandro BART (Bay Area Rapid Transit) Station (BRT Corridor).

BRT Corridor construction and operations will have adverse temporary and permanent impacts on some existing businesses. Together, AC Transit and the City of Oakland have developed a business impact mitigation strategy for the BRT Project that demonstrates a commitment to implement temporary and permanent mitigation measures consistent with the obligations set forth in the Final Environmental Impact Statement and Report (FEIS/FEIR) for the East Bay Bus Rapid Transit Project, Downtown Oakland to San Leandro Alternative adopted by the AC Transit Board on April 25, 2012. In Oakland, the BRT Project business impact mitigation strategy is comprised of two components:

1. The AC Transit Business Impact Mitigation Plan consisting of a Technical Assistance (TA) and a Business Support Activities program; and
2. The City of Oakland Business Sustainability Program (Oakland Business Sustainability Program)

Under the AC Transit Business Impact Mitigation Plan, impacts are summarized as follows:

1. Direct Impacts: businesses with direct BRT Project impacts are located directly adjacent to curbside platforms; in the direct vicinity of median platforms; have driveway impacts; or other direct temporary and/or permanent impacts due to project construction and operations.
2. Direct Temporary Construction Impacts: include construction phase impacts described in the FEIS/FEIR, the approved Business Impact Mitigation Plans for BRT Project Construction Bid Packages #1, 2 & 3 (BIM-Ps), Stage Construction and Traffic Handling Plans for Bid Packages #1, 2 & 3, and/or listed under the AC Transit Business Support Activities Program, such as noise, dust, restricted visibility and/or access, on-street parking suspensions, and traffic detours.
3. Direct Permanent Construction Impacts: for the purposes of the BRT Project-funded Business TA Project include post-construction impacts described in the FEIS/FEIR, the approved BIM-Ps, and / or the final plans, specifications and estimates for Bid Packages #2

and #3, such as driveway closures, restricted visibility and/or access, parking displacement, new traffic rules, increased traffic congestion, etc.

Under the City of Oakland Business Sustainability Program (BSP) – Technical Assistance Element, Indirect Impact includes a BRT Project economic impact not covered by the AC Transit Business Impact Mitigation Plan (as summarized above). OBDC will work with the City of Oakland to conduct an economic impact analysis, define and quantify the set of indirect BRT impacts, and develop criteria for eligible businesses based upon needs assessments and community outreach.

**Objectives:**

The objectives of the Business Sustainability Program – Technical Assistance Element are to:

1. Mitigate BRT Corridor Indirect Impacts on business operations
2. Prepare impacted business to access additional resources or financial assistance if they meet the eligibility criteria
3. Increase business capacities and productivity
4. Avoid business relocation and closure

**Strategies:**

In order to fulfil the objectives listed above, OBDC Small Business Finance (OBDC) will work with the City of Oakland and AC Transit to:

1. Define Indirect Economic Impacts not covered by the AC Transit Business Impact Mitigation Plan
2. Make businesses along the BRT corridor aware of BSP technical assistance services
3. Encourage businesses to utilize the BSP technical assistance services by communicating the benefits of the services and customizing the services to individual business needs
4. Conduct business needs assessments to determine how specific businesses experience indirect impacts
5. Provide workshops and in-depth one-on-one consulting to develop and implement solutions which address indirect impacts
6. Create an online merchant directory of businesses along the BRT Corridor to help business market their services and maintain customer interaction both during and after construction
7. Utilize third party data sources to get baseline information to allow for comprehensive impact assessment

**Program Description:**

The BSP technical assistance services will be available to all businesses along the BRT Corridor, which includes businesses within one block of the BRT route. Technical assistance services will start with a major outreach and assessment campaign followed by direct one-on-one business follow-ups.

BSP technical assistance services will include one-on-one business consultation and workshops that will help businesses develop strategies to mitigate Indirect Impacts. A primary goal of the BSP technical assistance services will be to meet with as many businesses as possible and conduct financial and operational needs assessments (“Needs Assessments”) for the purpose of

developing customized mitigation strategies. The BSP Technical Assistance services will also help prepare businesses to access additional resources or financial assistance if they meet eligibility criteria.

Notably, some business owners may not want to work with a private consultant, but may still seek information about how they can prepare for and protect their business from Indirect Impacts. Therefore, it is important that the BSP Technical Assistance services also include workshops where businesses can receive information about mitigation strategies.

**Service Delivery and Database of Businesses:**

OBDC has begun creating a database of the businesses that exist along the BRT Corridor in order to determine the types of consulting services and workshop that will be most appropriate.

While the City of Oakland and other data sources have contact information for many of the businesses along the BRT Corridor, the information does not include the type of industry in which the business operates or the primary language that the business owners speaks.

During OBDC's initial calling program of businesses along the BRT Corridor, OBDC has confirmed that the business owners are highly diverse, speaking several languages and operating in a variety of industries.

In addition, OBDC will work with the City of Oakland to finalize the criteria for businesses that will be eligible for BSP additional assistance. Part of this process will be determining which business may be vulnerable to the BRT Corridor Impacts summarized in the "Background" section above. Thus, another part of the inventory process will be identifying which businesses are located near these Impacts such as next to an enhanced media station, or experienced change of parking or loading zone in front of business, etc.

**Staffing:**

In order to reach the maximum number of businesses along the BRT Corridor, while at the same time ensuring that technical assistance services are customized to individual business situations, OBDC will use a combination of independent on-call contractors and full time staff.

Independent Contractors: Given the diversity of number and types of businesses as well as the different cultural communities along the corridor, OBDC feels that is most effective to work with Independent contractors in order to provide the required flexibility and ensure that the most appropriate business resource is matched to a specific business owner's needs. The contractors hired for the BSP will have different language capabilities as well as expertise in a variety of business subject matters areas, as detailed below:

- BSP Community Outreach Managers: OBDC will hire BSP Community Outreach Managers (COM) as independent contractors to ensure that each cultural community is made aware of and is positioned to receive BSP technical assistance services. The roles and responsibilities of the COMs are as follows:
  - To raise awareness about the availability of BSP technical assistance services
  - To help coordinate business outreach and serve as points of contact for eligible businesses seeking BSP technical assistance.
  - To be in constant interaction with the community and identify businesses that need and are interested in receiving BSP technical assistance.
  - To conduct individual needs assessments to determine how BRT construction has created indirect impacts to businesses

- To work closely with the Business Advisors and Subject Matter Expert (roles described below) to address the indirect impacts identified in the needs assessment
- To design and deliver workshops that are best suited for the community
- To speak in the language that the business owner is most comfortable speaking, including Spanish, Mandarin, Cantonese and Vietnamese

In addition to working with individuals, OBDC may also partner with existing organizations working with merchants along the BRT Corridor to provide the community outreach services listed above.

- **BSP Subject Matter Experts:** OBDC will hire BSP Subject Matter Experts (SME) as independent contractors to deliver specialized technical assistance that address the indirect impacts experienced by businesses along the BRT Corridor. The SME will work one-on-one with businesses as well as develop workshops in their particular areas of expertise. These Subject Matter Experts could help businesses in areas including, but not be limited to the following:
  - Customer retention and growth strategies
  - Designing alternative means for maintaining customer interaction
  - Developing revised business models to fulfill customer service needs
  - Assisting with innovative marketing strategies to maintain customer connections
  - Utilizing technology and online strategies
  - Developing changes to physical locations to enhance customer access or service delivery
  - Finding cost savings and operational efficiencies
  - Maintaining profitability and cash flow management
  - Utilizing bookkeeping and record keeping systems
  - Formalizing the businesses to gain access to additional resources
  - Providing industry specific expertise such as automotive, restaurants, retail, and other corridor industries operations
  - Transitioning businesses to a new owners in order to ensure that it remains viable over the long-term

**Full Time Staff:** OBDC will hire and leverage two full-time staff as Business Advisors to develop long-term relationships and work one-on-one with businesses along the BRT corridor to develop and implement action plans that address their specific operational impact as identified in the Needs Assessments. The Business Advisors will work closely with the Community Outreach Managers and the Subject Matter Experts to ensure that a business receives the in-depth customized attention required for their specific impact and business operation. The Business Advisors will also help businesses:

1. Prepare to access financial assistance if they meet the eligibility criteria.
2. Become a part of the Merchant directory to help market their business during and after BRT Corridor construction



**OBDC Oversight Role:**

OBDC will be responsible for designing, implementing, and managing the BRT technical assistance program. Its roles and responsibilities include:

1. Designing and delivering the BSP technical assistance services
2. Interacting with AC Transit and the City of Oakland Community Outreach Managers and other personnel to ensure that the BSP Technical Assistance services and other BRT Corridor services to businesses are well coordinated
3. Working with the City and AC Transit to finalize the eligibility criteria for BSP technical assistance services and other future financial programs developed to help impacted businesses along the BRT route
4. Recruiting, hiring and managing the BSP technical assistance staff and independent contractors
5. Building community ties to raise awareness about the program
6. Creating a communication strategy about the program
7. Maintaining a technology system to provide service delivery including:
  - a. Tracking the number and type of technical assistance service that is requested
  - b. Registering the businesses receiving service
  - c. Recording consulting sessions and workshop attendance
  - d. Capturing impact and performance data
  - e. Tracking business satisfaction
8. Customizing its current technical assistance curriculum and designing new curriculum as appropriate to assist BRT businesses
9. Providing business access to the right resource depending upon their business need
10. Maintaining close community contact to ensure that businesses are getting the support they need
11. Ensuring the program remains in compliance with fiscal and other requirements by conducting necessary audits, documenting invoices, etc.

**BRT Technical Advisory Committee Technical Assistance Recommendations**

The Technical Advisory Committee (TAC) formed to assist OBDC and staff to formulate eligibility criteria for the disbursement of the \$2,000,000 Business Assistance and Sustainability Funds (BAS-f), included in its final proposal the following tasks as they relate to OBDC's TA contract:

1. Make good faith efforts to contact all businesses on the corridor, including at least three attempts to visit in person, with an offer to explain the BRT Project infrastructure and parking configuration changes caused by the BRT that are to occur within two blocks of their business.
2. In coordination with the AC Transit Community Construction Relations team, explain the BRT Project infrastructure configuration changes to every contacted business.
3. Assist businesses in identifying what, if any, negative impacts the changes in configuration will have on their business.
4. Provide businesses with consultation, if desired, to develop a plan to address impacts.

5. Inform businesses of both AC Transit and City provided programs and resources to address the impacts, and provide ongoing coordination and support for businesses working with AC Transit.
6. Assist businesses in meeting threshold eligibility criteria, i.e. license and permitting, addressing liens, negotiating leases, etc.
7. Recommend candidate businesses for grant funding.
8. Assist in implementation of solution if desired

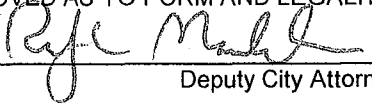
Tasks One (1) through seven (7) are explicitly tied to the existing Scope of Work in the City's MOU with AC Transit and are and will be performed by OBDC. Task eight (8), however, is tied directly to the administration of the BAS-f, which will be part of Scope of a separate contract to come before the City Council during the mid-year budget modification process.

OBDC will also provide a quarterly report on the following activities

1. Public outreach and communication
2. Technical assistance services provided
3. Requests for business assistance and responses
4. Number of business openings, closings, relocations
5. Number of jobs created, retained or lost
6. Revenue growth or declines

FILED  
OFFICE OF THE CITY CLERK  
OAKLAND

APPROVED AS TO FORM AND LEGALITY:

  
Deputy City Attorney

2016 APR 14 PM 6:24

## OAKLAND CITY COUNCIL

RESOLUTION No. \_\_\_\_\_ C.M.S.

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**A RESOLUTION WAIVING THE COMPETITIVE REQUEST FOR PROPOSAL SELECTION REQUIREMENT AND AUTHORIZING THE CITY ADMINISTRATOR TO NEGOTIATE AND EXECUTE A PROFESSIONAL SERVICES AGREEMENT WITH MAIN STREET LAUNCH (FORMERLY THE OAKLAND BUSINESS DEVELOPMENT CORPORATION) IN AN AMOUNT NOT TO EXCEED \$2,000,000, TO ADMINISTER THE TECHNICAL ASSISTANCE ELEMENT OF THE EAST BAY BUS RAPID TRANSIT PROJECT BUSINESS IMPACT MITIGATION FUND, WITHOUT RETURNING TO CITY COUNCIL**

**WHEREAS**, on November 18, 2014, the City Council adopted Resolution No. 85285 C.M.S. waiving the competitive Request for Proposal (RFP) selection requirement and authorizing the City Administrator to enter into a Service Agreement with the Oakland Business Development Corporation (OBDC) in an amount not to exceed \$500,000 of CDBG funds to administer the start-up phase of the Technical Assistance Element of the East Bay BRT Project Business Impact Mitigation Fund; and

**WHEREAS**, OBDC entered into a \$500,000 Service Agreement with the City effective May 1, 2015 to administer the Start-up Phase of the Technical Assistance Element of the BRT Project Business Sustainability Program; and

**WHEREAS**, OBDC has met and exceeded the terms of its contract as presented in the staff report; and

**WHEREAS**, the AC Transit Board of Directors authorized the execution of a Memorandum of Understanding with the City on September 16, 2015 for a \$2,000,000 grant to the City in support of BRT Business Sustainability Program/Technical Assistance Element; and

**WHEREAS**, OBDC formally changed its name to "Main Street Launch" effective March 1, 2016 and continues to operate as a tax-exempt nonprofit public benefit corporation; and

**WHEREAS**, OBDC/Main Street Launch expanded its capacity under the start-up grant in preparation for BRT Bid Packet 3 construction impact mitigation in partnership with AC Transit and is uniquely qualified to provide Technical Assistance to businesses operating along the BRT corridor to increase business productivity and offset a potential decline in business revenue and profitability during the BRT construction project; and

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**WHEREAS**, the effective partnering of resources and expertise with Main Street Launch furthers the City Council's goals of coordinating City services in order to support existing businesses emphasizing sustainability and the creation and retention of jobs for Oakland's low-income residents, especially in neighborhood commercial areas such as International Boulevard; and

**WHEREAS**, Main Street Launch has raised more than \$2,500,000 of additional funding for direct support for technical assistance, retention and economic development services for businesses along the International Boulevard Corridor; and

**WHEREAS**, OMC Title 2, Chapter 2, Article I, Section 2.04.051.A requires staff to conduct a competitive Request for Proposal/Qualification (RFP/Q) selection process for the procurement of professional services; and

**WHEREAS**, OMC Title 2, Article I, Section 2.04.041.B permits the Council to waive the competitive RFP/Q selection requirement upon a finding and determination that it is in the best interests of the City to do so; and

**WHEREAS**, staff recommends that it is in the City's best interests to waive the competitive RFP/Q selection requirement for the professional services authorized hereunder because of Main Street Launch's unique knowledge of and experience with the BRT Business Impact Mitigation program and with the Business Assistance and Sustainability fund established by the City Council to provide financial assistance to businesses that may face permanent adverse impacts as a result of BRT infrastructure not covered by AC Transit's obligations under the BRT project's Final Environmental Impact Study/Report; and

**WHEREAS**, by way of Resolution No. 85285 C.M.S., the City Council previously authorized a waiver of the competitive RFP/Q selection requirement for the Professional Services Agreement with OBDC for the \$500,000 Start-up Phase contract for the Technical Assistance Element of the City's BRT Project Business Impact Mitigation Program; and

**WHEREAS**, on November 18, 2014, the City Council adopted Resolution No. 85284 C.M.S. to accept and appropriate up to \$2,500,000 from AC Transit for the development and implementation of the City of Oakland Business Sustainability Program of the East Bay Bus Rapid Transit (BRT) project Business Impact Mitigation fund; and

**WHEREAS**, the actual amount the City received from AC Transit is \$2,000,000, which will be used for the contract with Main Street Launch; and

**WHEREAS**, the funds approved for appropriation by way of Resolution No. 85284 have not to date been appropriated in the City's Oracle accounting system; and

**WHEREAS**, the \$2,000,000 approved to be appropriated by way of Resolution 85284 shall be appropriated to the Department of Housing and Community Development Organization 89919, which will administer the contract with Main Street Launch; and

**WHEREAS**, the City Council finds that the Agreement with Main Street Launch is for services of a professional or specialized nature to provide full technical assistance services to an array of businesses including start-up, micro-enterprises, small, mid-size and large businesses serving low- and moderate-income residents and businesses as

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well as providing technical assistance and lending activities to all residents and businesses located throughout the City of Oakland; and

**WHEREAS**, the City Council finds and determines that the services under this contract will be temporary and performance of the contract shall not result in the loss of employment or salary by any person having permanent status in the competitive service; now, therefore, be it

**RESOLVED**: That pursuant to OMC Section 2.04.051.B and for the reasons stated above and in the City Administrator's report accompanying this Resolution, the City Council hereby finds and determines that it is in the best interests of the City to waive the RFP/Q competitive selection requirements for the above agreement; and be it

**FURTHER RESOLVED**: That the City Administrator, or her designee, is authorized to conduct negotiations to enter into a Professional Services Agreement with Main Street Launch in an amount not to exceed \$2,000,000 effective April 1, 2016, and amend, modify or extend the agreement term as needed and take any other action necessary with respect to the contract amendment consistent with this Resolution and its basic purpose, without returning to City Council; and be it

**FURTHER RESOLVED**: That the \$2,000,000 for the Main Street Launch contract was approved for appropriation by way of Resolution No. 85284 C.M.S. to Miscellaneous Grant Fund 2999, ADA Programs Organization 30214, BRT Capital Improvement Project P472240, ACT Transit BRT Program W985; and shall now be appropriated to Miscellaneous Grants Fund 2999; Department of Housing and Community Development Administration Organization 89919, BRT BIM Project P472240; and ACT Transit BRT Program W985; and be it

**FURTHER RESOLVED**: That the City Administrator or her designee is hereby authorized to spend funds and take other action with respect to the adopted budget and authorized contracts consistent with this Resolution and its basic purposes; and be it

**FURTHER RESOLVED**: That the agreements shall be reviewed and approved by the City Attorney and placed on file in the Office of the City Clerk.

IN COUNCIL, OAKLAND, CALIFORNIA, \_\_\_\_\_

**PASSED BY THE FOLLOWING VOTE:**

AYES - BROOKS, CAMPBELL-WASHINGTON, GALLO, GUILLEN, KALB, KAPLAN, REID, and PRESIDENT GIBSON MCELHANEY

NOES-

ABSENT-

ABSTENTION-

ATTEST: \_\_\_\_\_

LaTonda Simmons  
City Clerk and Clerk of the Council  
of the City of Oakland, California