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AGENDA REPORT

TO: DEANNA J. SANTANA
CITY ADMINISTRATOR

FROM: Fred Blackwell

SUBJECT: Monthly Economic Development Strategy Tracking DATE: January 14, 2013

City Administrator
Approval

Date

1/14/13

COUNCIL DISTRICT: City-Wide

RECOMMENDATION

Staff recommends that the City Council accept this Monthly Tracking Report on Specific Actions and Outcomes on the preparation of the Economic Development Strategy for the City of Oakland.

EXECUTIVE SUMMARY

This report responds to the Community and Economic Development Committee's request for a standing monthly report to track Economic Development activities and actions. The City Council has directed the development of a focused economic development strategy which prioritizes support for Oakland's existing businesses and fosters new investment, revenue and employment opportunities for Oakland residents. *Attachment A* provides a brief overview of Economic Development activities in mid-November – December 2012.

For questions regarding this report, please contact Aliza Gallo, Economic Development Coordinator, (510) 238-7405.

Respectfully submitted,

Fred Blackwell, Assistant City Administrator

Prepared by:
Aliza Gallo, Economic Development Coordinator
Office of Economic and Workforce Development

Attachment A: Monthly Strategy Development Outcomes: November - December 2012

Item: _____
CED Committee
January 29, 2013

ATTACHMENT A:
(November – December 2012)
ECONOMIC DEVELOPMENT STRATEGY
ECONOMIC DEVELOPMENT SERVICES

Timeline	Goal	Actions/Outcome
November – December 2012	<p>Preparation of Overall Economic Assessment & Indicators Report for Oakland</p> <p>An Economic Assessment Report will provide an updated overview of Oakland’s current economic performance. The purpose of report is to identify strengths and weaknesses in Oakland’s economy to grow business and attract capital in ways that create quality jobs.</p>	<p>Actions:</p> <ul style="list-style-type: none"> ▪ Economic Indicators Dashboard can be founded at the Office of Economic and Workforce Development website: http://www2.oaklandnet.com/oakcal/groups/ceda/documents/report/oak038317.pdf ▪ Work is being incorporated into Economic Development Strategy and is posted and regularly updated quarterly and or annual, as data allows. ▪ The City of Oakland is experiencing noteworthy economic recovery. ▪ Key trends worth noting for reporting period: <ul style="list-style-type: none"> o In the last year, the unemployment rate decreased by 2.8% from 15.6% to 12.8%. Over the last 2 years, unemployment has decreased from 16.6% to 12.8%, a decrease of 3.8%. Government and the Finance, Insurance & Real Estate sectors had greatest increase in jobs. o The number of business licenses issued increased from 42,024 to 42,841 between 2011 and 2012, reflecting a small growth in new business openings. o Sales tax revenue continues to increase; top sales tax generators include Restaurants & Hotels, seeing a very large increase between 3 Q 2011 and 2012; Fuel and Auto & Transportation & Business & Industry are also significant contributors. o The Industrial Market vacancy rate decreased to a very low rate, from 5.9% to 4.7% between Q2 and Q3 2012.

	<p>Creation of Oakland's Key Economic Industries Strategic Action Plans</p> <p>Action plans will focus key activities to support and strengthen Oakland's key existing sectors and industries and emerging sectors.</p>	<p>Actions:</p> <ul style="list-style-type: none"> ▪ Health Care Sector analysis is near completion. Activities in this sector include: <ul style="list-style-type: none"> ○ UC Berkeley Fall Sustainable Economic Development Studio completed a study regarding the role of anchor institutions and nonprofits in Oakland Healthcare economy. ○ Initiated Health & Wellness Sector Advisory Group & meeting ○ Advised UC Berkeley studio on project, including attending presentations ○ Follow up meetings with Oakland health care providers ○ Participated in pre-application meetings for Children Hospital Expansion ▪ Food & Beverage Sector: Activities in this sector: <ul style="list-style-type: none"> ○ Continued coordination with Hope Collaborative to coordinate Food Cluster strategy, including analysis and outreach of industry supplier and vendor businesses and development of Food Hub. ○ Planned the Oakland Restaurant Week Food Industry Panel ○ Working towards naming May as "Oakland Shakers, Makers & Bakers" Month to celebrate Oakland's diversity in the creative and food industries ▪ Creative Industry Sector: Activities in this sector include: <ul style="list-style-type: none"> ○ Participation in the East Bay Economic Development Alliance – Innovation Awards ○ Initiated Oakland Industry & Industrial Arts Alliance – two meetings; ○ Collaboration meetings with 2.Oakland ▪ Green & Clean Sector analysis underway. Activities in this sector include: <ul style="list-style-type: none"> ○ Participation in East Bay Green Corridor meetings and retreat ○ Led statewide conference calls of the Calif Assn. of RMDZs and Recycling Build Infrastructure Now Coalition ○ Assisted in identifying StopWaste.org and Alameda County as best partners for Renewable Funding for California Energy Commission PIER grant application ○ Developing comments to State PUC to approve extension of economic development rate reductions of PG&E to not only counties experiencing high unemployment to urban cities, also suffering high unemployment to assist in business attraction and job creation efforts.
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	<p>Enterprise Zone Program</p>	<ul style="list-style-type: none"> ▪ Participating in planning for \$1 m State Sustainable Communities Planning Grant for International Blvd that includes economic revitalization goals ▪ Specific Plans: Staff participated in the review of the West Oakland Draft Plan and Scoping Proposal for the EIR; Broadway Valdez Retail District Draft EIR and D-BR Broadway Retail Frontage District Interim Combining Zone extension; review of the Lake Merritt Central Estuary Implementation Plan; Lake Merritt BART Station Area Plan; and joined the Coliseum City Project team. ▪ Participated in District 2 Town Hall meeting ▪ Number of Companies that submitted vouchers: 61 ▪ Total Approved Vouchers: 681 ▪ Average Hourly Wage: \$13.82 ▪ New & Existing Job Information: <ul style="list-style-type: none"> ○ New Positions - 621 ○ Existing Positions - 60 ▪ Key Employee Categories for 681 Vouchers: <ul style="list-style-type: none"> ○ TEA Residents – 596 ○ Economically Disadvantaged – 37 ○ WOTC – 21 ○ Ex-Offender – 11 ▪ Staff continues to provide services to Emeryville and Berkeley as part of the Expanded Oakland Enterprise Zone Program.
	<p>Business Assistance Center Services</p>	<ul style="list-style-type: none"> ▪ Number of BAC Clients - 377 ▪ Walk-In Clients; Web 2 Lead Inquiries generated by BAC website; Phone Calls ▪ Business Services: Financing referrals; assistance with interpretation of City Zoning regulations; coordination with other city agencies to resolve business issue; information and referral on city services and Oakland business services partners. ▪ Specific Services included: <ul style="list-style-type: none"> ○ Provided 6 Site location reports to interested businesses ○ Provided 4 Demographic Reports for potential start –up businesses. ○ Coordinated with State of California to sponsor a Small Business Certification Workshop – over 220 small businesses & agencies participated; 62 businesses received state certification. ○ Facilitated AC SBDC series on “Starting a Small Business in Oakland.” ○ Facilitated AC SBDC series on “Social Media”, 10-lunchtime workshops on tech

	<p>Community Benefit District/Business Improvement District Activities</p> <p>Merchant Organizing</p>	<p>services available to businesses.</p> <ul style="list-style-type: none"> o Working with KIVA Zip and Northern California Community Loan Foundation to develop creative financing opportunities for small businesses. o Preparing to host Oakland Small Business Providers Roundtable in February 2013. <ul style="list-style-type: none"> ▪ Among completion of other key administrative tasks, in November 2012, BID Administrative Program staff compiled, reviewed and coordinated necessary revisions for annual reports for five of nine districts, coordinated with Treasury, Real Estate and City Admin/Fiscal staff to troubleshoot invoices and pay assessments on multiple City and Successor Agency parcels, drafted a written agreement for new Lakeshore BID of 2012, and arranged adoption of resolution of intentions for to levy the FY 13/14 Rockridge and Montclair BID assessments. ▪ In December 2012, staff finalized draft of Lakeshore BID agreement, coordinated two public hearings to complete approval of FY 13/14 Rockridge and Montclair BID assessments, further research and troubleshooting regarding payment of assessments on City and Successor Agency parcels, coordinated disbursements to BID district citywide, review and troubleshoot insurance coverage for several districts, draft report and resolution for approval of mandatory annual reports for five BIDs citywide. ▪ Staff continues to support the formation of new business assessment districts in: Jack London District, the Airport Area Business Park area and recently the Old Oakland Neighborhood District. ▪ Staff attended the monthly Oakland CBD Managers Forum providing support and information on city services. ▪ Key assistance: Support of Montclair BID efforts to retain Montclair Parking Garage Contract; coordination of the Lake Merritt-Uptown & Downtown Oakland Master Encroachment Permit; coordinating with the KONO District to plan a broker tour as well as supporting follow up efforts for the Laurel District Broker tour. Other BID district tours are in planning for 2013. <ul style="list-style-type: none"> ▪ Staff continues to support Oakland Merchant Leadership Forum activities ▪ Staff participated with Marketing staff on Oakland Grown & Holiday Parking Program outreach
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	Broadway Shuttle	<ul style="list-style-type: none"> ▪ ED staff secured a \$264,000 two-year sponsorship from Jack London Square to support Broadway Shuttle operations. This commitment from JLS represents a \$64,000 increase from the original \$200,000 two-year sponsorship from signed in 2010. ▪ ED staff secured a \$30,000 two-year sponsorship from Forest City to support Broadway Shuttle operations. This commitment from FC represents a \$10,000 increase from the original \$20,000 two-year sponsorship from signed in 2010. ▪ Authored and published RFP in collaboration with PWA staff to study cost and benefits of upgrading the Broadway Shuttle to an electric Streetcar & extending the route through the Broadway Valdez Specific Plan area to the Kaiser Hospital and MacArthur BART. The study is being funded with a \$300,000 Caltrans grant secured by Economic Development staff. ▪ Approximately 67,000 passengers used the Broadway Shuttle during the month of November. These passengers spending activity was approximately \$740,000 at restaurants and other business along the route, based on passenger surveys. ▪ To generate an additional boost to local businesses, staff has begun planning for expand shuttle hours until 10pm on weekdays. This expansion will be funded using a \$723,000 grant secured by Economic Development staff from the MTC and ACTC. The extension is anticipated to occur in the summer, 2013. ▪ Coordinated with BART to promote the downtown Oakland restaurant and nightlife scenes through a BART/Broadway Shuttle co-marketing campaign. \$102,000 of free ads in BART stations and on BART trains.
	Outreach/Promotion Activities	<ul style="list-style-type: none"> ▪ Participated/staffed the November Oakland Retail Advisory Committee meeting ▪ Participated in the planning committees for upcoming ICSC meetings: Oakland- San Francisco Hispanic Markets Initiative 2013 workshop, ICSC Alliance fall event ▪ Attended Green Build national conference in SF; visited exhibitors including Oakland-based Lucid, BuildItGreen, Exotic Hardwood and Veneers, and BuildSite ▪ Attended quarterly meeting of the East Bay Environmental Network ▪ Met with liaison from CalRecycle re: Oakland/Berkeley RMDZ issues ▪ Participated in Oakland Grown and Holiday Parking Program Kick Off events ▪ Participated in First Friday Collaborative meetings