



AGENDA REPORT



TO: City Council and Members of the Public

FROM: At-Large Councilmember
Rowena Brown

SUBJECT: Town Alive: Economic Activation Zones

DATE: November 13, 2025

RECOMMENDATION

Adopt The Following Pieces Of Legislation:

(A) A RESOLUTION (1) ESTABLISHING ECONOMIC ACTIVATION ZONES UNDER THE TOWN ALIVE PROGRAM TO SUPPORT ENTERTAINMENT ZONES AND RESPONSIBLE ARTIFICIAL INTELLIGENCE (AI) ACTIVATION ZONES IN THE CITY OF OAKLAND, BRINGING INNOVATIVE PROGRAMMING TO PUBLIC AND COMMUNITY SPACES; AND (2) AUTHORIZING THE CITY ADMINISTRATOR TO AWARD, NEGOTIATE AND EXECUTE A GRANT AGREEMENT WITH THE OAKLAND FUND FOR PUBLIC INNOVATION IN AN AMOUNT NOT TO EXCEED ONE MILLION DOLLARS (\$1,000,000) TO IMPLEMENT THE TOWN ALIVE PROGRAM FOR A TWO-YEAR TERM FROM NOVEMBER 1, 2025, THROUGH OCTOBER 31, 2027

(B) AN ORDINANCE (1) ADDING CHAPTER 9.54 OF TITLE 9 OF THE OAKLAND MUNICIPAL CODE TO ESTABLISH AND REGULATE ENTERTAINMENT ZONES PURSUANT TO SB 969 (2024) TO PROMOTE ECONOMIC ACTIVATION; (2) MAKING OTHER CONFORMING CHANGES TO SECTIONS 9.08.180 AND 9.08.190 OF THE OAKLAND MUNICIPAL CODE; (3) CLASSIFYING AN ENTERTAINMENT ZONE EVENT AS A TIER TWO OR TIER THREE SPECIAL EVENT PURSUANT TO CHAPTER 9.52 OF THE OAKLAND MUNICIPAL CODE; AND (4) ADOPTING APPROPRIATE CALIFORNIA ENVIRONMENTAL QUALITY ACT FINDINGS

EXECUTIVE SUMMARY

The **Town Alive** initiative establishes **Economic Activation Zones**—designated areas that re-energize Oakland’s public spaces, strengthen small businesses, and connect residents to innovation opportunities.

The program launches with two pilot components:

1. **Entertainment Zones** to activate commercial corridors with family-friendly outdoor events and cultural festivals
2. **Responsible Artificial Intelligence (AI) Activation Zones** to foster equitable, community-based innovation and create hubs for community-based AI programming

Together, these pilots make Oakland's economy more vibrant, inclusive, and future-ready.

The proposed pieces of legislation formally launch the Town Alive initiative; enable four pilot Entertainment Zones (Jack London District, Broadway Valdez/Northlake District, Temescal District, and Uptown Downtown), which permit outdoor alcohol consumption as authorized by Senate Bill 969 (2024); and authorize \$1,000,000 in grant funding to provide initial support for programming across Oakland, administered by the Oakland Fund for Public Innovation.

BACKGROUND / LEGISLATIVE HISTORY

Since the COVID-19 pandemic, Oakland has been rebuilding its local economy to address several [significant challenges](#), such as employment recovery, downtown revitalization, consumer confidence, and tourism generation. Many of our commercial corridors are in particular need of structured opportunities for economic and cultural activation.

Town Alive bridges that gap by:

- Reviving local commercial corridors through safe, family-friendly programming.
- Partnering with community institutions to expand access to the growing responsible AI economy.

Oakland's economic recovery depends on reconnecting people to places—and ensuring innovation benefits every neighborhood.

Entertainment Zones Under Senate Bill 969

[Senate Bill \(SB\) 969](#) (Weiner, 2024) authorizes cities to establish designated “entertainment zones” where to-go alcoholic beverages from licensed bars, restaurants, breweries, and wineries may be consumed in public streets, sidewalks, or other public rights-of-way during permitted special events. Cities across California—including [San Francisco](#), [San Jose](#), [Santa Monica](#), and [Sacramento](#)—have already established or launched Entertainment Zones to support local businesses, activate commercial corridors, and enhance cultural life.

SB 969 requires a city, county, or city and county that establishes an entertainment zone to (1) establish a process or procedure by which persons in possession of alcoholic beverages in the entertainment zone may be readily identifiable as being 21 years of age or older; and (2) provide to the California Department of Alcoholic Beverage Control (ABC) a copy of the ordinance establishing or modifying the entertainment zone and identifying the entertainment zone's boundaries, days and hours of operation, types of alcoholic beverages permitted, and approved non-glass and nonmetal containers, pursuant to Section 25690 of the California Business and Professions Code.

Before enacting an ordinance to establish or modify an entertainment zone, a city, county, or city and county shall notify local law enforcement and request feedback about both of the following: (1) potential health and safety impacts that might be generated by the entertainment zone and strategies to mitigate those impacts; and (2) the entertainment zone's proposed boundaries, days and hours of operation, types of alcoholic beverages permitted, and approved non-glass and nonmetal containers, pursuant to Section 25692 of the California Business and Professions Code.

SB 969 requires that a city that establishes an entertainment zone, or its designated subordinate officer or body, shall review the operation of the entertainment zone every two years following the adoption of the entertainment zone to ensure that the entertainment zone is being maintained in a manner that protects the health and safety of the general public.

Responsible AI

AI is technology that can perform tasks that would normally require human intelligence. The pace of AI adoption and commercialization has increased significantly in recent years. [Current estimates](#) count tens of thousands of AI-related companies worldwide, as startups and existing businesses work to build products spanning the spectrum from narrow daily tools to large generative models.

Private investment in AI [crossed the \\$100 billion mark](#) in 2024 and accounted for a major share of global venture capital, with generative AI companies receiving particular focus. Business adoption has increased as well, with [surveys showing](#) AI use by organizations jumping from about 55% in 2023 to roughly 78% in 2024.

AI has also spurred a historic amount of policy and legislation compared to past emerging technologies. At the state level alone, [over 1,600 AI bills](#) have been proposed nationwide since 2019.

[Responsible AI](#) refers to the use of AI systems in ways that are ethical, transparent, accountable, and aligned with community wellbeing. Responsible AI presents the opportunity to leverage the rapid development of AI to advance Oakland's economic and community development goals and transform how the City delivers services.

ANALYSIS AND POLICY ALTERNATIVES

Entertainment Zones

Entertainment Zones will create opportunities for outdoor gatherings, performances, and cultural festivals in Oakland's commercial corridors to celebrate Oakland's diversity and creativity. Utilizing SB 969 (as detailed above), adjacent bars and restaurants will be permitted to sell alcohol in to-go containers for on-site consumption within the designated zones during permitted events. Entertainment Zone programming is proposed to launch in summer 2026.

Implementation Landscape

Several jurisdictions across the state have already launched Entertainment Zones to revitalize their commercial corridors:

City	Program Status	Key Features
San Francisco	It was the first City to receive state authorization and launched its program in June 2024. Now has 21 Entertainment Zones.	Includes Chase Center, Valencia St, Front St, and Fisherman's Wharf zones
San Jose	Established Entertainment	Location selection prioritized

	Zones in June 2025.	existing pedestrian-friendly spaces, like the Post Street Pedestrian Mall.
Santa Monica	Established the Third Street Promenade Entertainment Zone in May 2025.	The Entertainment Zone has standard hours every weekend, and isn't reliant on specific events.
Sacramento	Established three Entertainment Zones in June 2025.	Includes an Entertainment Zone surrounding the city's Convention Center.

Pilot Entertainment Zone Locations

To promote public safety, maintain manageable capacity, and effectively test the model, Oakland will launch four pilot Entertainment Zones. Potential locations were evaluated based on the following criteria:

- Concentration of bars and restaurants that serve alcohol
- Potential Entertainment Zone lead organizer has a strong track record of hosting similar events in the neighborhood
- Geography that easily enables street and/or plaza closures
- Impacts to public transit & alternatives for traffic diversion
- Public safety impacts

The four pilot locations are:

- Jack London District (D2 & D3)
- Broadway Valdez/Northlake District (D3)
- Temescal District (D1)
- Uptown Downtown (D3)

Precise zone boundaries are depicted in **Attachment A**.

Future Entertainment Zone Locations

Any neighborhood commercial corridor in Oakland can become an Entertainment Zone in the future.

Beginning in 2026, new Entertainment Zones will be designated through the following process:

1. Contacting their Councilmember and the Economic & Workforce Development Department (EWD) to begin the process
2. Receiving City Council approval by ordinance establishing the zone
3. Developing a Management Plan with EWD outlining programming, safety, and operations
4. Applying for Entertainment Zone event funding (if applicable)

Management Plans

Management Plans are tailored plans for each Entertainment Zone to establish location-specific requirements for operations, public health, and public safety during Entertainment Zone events. The plans will be produced by the Economic & Workforce Development Department and the lead community partner for the Entertainment Zone (e.g., a Business Improvement District), in collaboration with community partners and relevant City departments.

Management Plans will include:

- The lead community partner for the Entertainment Zone and businesses that will be selling to-go alcoholic drinks in the Zone
- A description of the potential programming to activate the Zone
- The precise Zone boundaries, hours, advance notice window and other logistical details
- Measures to ensure public health and public safety at events
- Procedures for ensuring that anyone in the Entertainment Zone with alcohol is at least 21 years old
- Requirements for uniform cups for outdoor alcohol consumption
- City permits that apply to the Zone's proposed programming

Several peer cities also require Management Plans for their Entertainment Zones, including [San Francisco](#) and [Santa Monica](#).

Responsible AI Activation Zones

The City of Oakland recognizes the growing role of Responsible AI and emerging technologies in shaping economic opportunity, workforce development, and public service delivery. Responsible AI Activation Zones will serve as physical and programmatic hubs to advance equitable, community-based AI innovation, ensuring that AI technologies are developed, implemented, and governed in alignment with Oakland's values of equity, transparency, and inclusion.

Programming within the Responsible AI Activation Zones will connect residents, students, and small businesses to opportunities in the technology sector, including:

- Community education events and professional conferences
- Civic technology pilots
- Student internships & showcases
- Small business support for responsible AI adoption
- Workforce development programs

Programming will prioritize preparing local workers, especially those from historically disadvantaged communities, for opportunities in AI-related and impacted industries, ensuring that the economic benefits of AI are shared equitably, mitigating negative impacts, and promoting digital literacy.

Programs will be led and coordinated through the **Oakland Fund for Public Innovation (OFPI)**, in partnership with **Laney College**, the **Unity Council's Unity Tech Hub**, and **Mills College at Northeastern University**, providing citywide access to resources and training.

Programming Partners

Responsible AI Zone programming will be located in three hubs across the city, which will host community programming:

- **Laney College:** Laney College launched the first Applied AI program in California, and anchors an area adjacent to downtown that includes the Oakland Museum of California and the Henry J. Kaiser Center for the Arts.
- **Unity Tech Hub:** The Unity Tech Hub is a partnership between the Unity Council and Google to increase community access to tech education, workforce development, and business development. The Unity Tech Hub will ensure access for Central Oakland neighborhoods to programming.
- **Mills College at Northeastern University:** Mills at Northeastern already hosts several AI initiatives, including the Bridge to AI program for Oakland Unified School District students, and partnerships with the business community. Mills at Northeastern will ensure access for East Oakland neighborhoods to programming.

Oakland Fund for Public Innovation

[OFPI](#) is a 501(c)(3) nonprofit organization whose mission is to improve the prosperity, safety, and quality of life for all Oaklanders by establishing innovative public-private partnerships in our most vulnerable communities. OFPI achieves its mission by partnering with government agencies to pilot new strategies to meet the needs of Oaklanders, and by scaling the most promising solutions

OFPI's mission and approach are strongly aligned with the vision for the Town Alive program. OFPI is proposed to be the project manager for program implementation, which will entail:

- Serving as the fiscal sponsor for the program, receiving and managing funds in accordance with nonprofit accounting and compliance standards, including disbursements, contracting, and reporting
- Supporting program design, curriculum development, and project management in coordination with City departments
- Hiring and supervising a Program Manager, who will be employed through OFPI and dedicated to advancing the Town Alive program, particularly stewarding the development of the Responsible AI Activation Zones
- Supporting future fundraising efforts, in partnership with the **Kapor Foundation**, which works to ensure equitable access to the technology industry, to sustain and expand the Town Alive program

FISCAL IMPACT

On June 11, 2025, the City Council adopted [Resolution No. 90827 C.M.S.](#), which approved the FY 2025–2027 Biennial Budget, including One Million Dollars (\$1,000,000) for “Economic Opportunity Zones” across two years with Five Hundred Thousand Dollars (\$500,000) in each year. The proposed legislation will support initial Town Alive programming with these funds.

Funding for “Economic Opportunity Zones” is available in the General Purpose Fund (1010), Economic Development Organization (85411), Third-Party: Grant Contracts Earned Account (54912), Entertainment & Activate Project (1008217), Administration Program (IP03).

The funding will include an allowable administrative fee not to exceed Ten Percent (10%) or One Hundred Thousand Dollars (\$100,000) and a program management fee not to exceed Two Hundred Fifty Thousand Dollars (\$250,000) total over the two years.

Program	FY26 Budget	FY27 Budget	Total
Entertainment Zones	\$100,000	\$300,000	\$400,000
AI Activation Zones	\$250,000	Fundraise	\$250,000
Program Manager	\$125,000	\$125,000	\$250,000
Administrative Costs (10%)	\$50,000	\$50,000	\$100,000
Total	\$500,000	\$500,000	\$1,000,000

PUBLIC OUTREACH / INTEREST

Councilmember Brown's office has engaged extensively with community members and community partners in developing this proposal over the last six months via direct meetings, including ongoing collaboration with potential Entertainment Zone lead organizations and Responsible AI Activation Zone programming partners.

COORDINATION

Councilmember Brown's office consulted with the City Administrator's Office, Economic and Workforce Development Department, Department of Transportation, Public Works Department, Police Department, Planning & Building Department, City Attorney's Office, and the Port of Oakland to develop this legislation.

SUSTAINABLE OPPORTUNITIES

Economic: The Town Alive program will energize local commercial corridors and expand access to the responsible AI economy. This initiative implements a two-pronged strategy to advance Oakland's continued economic recovery by supporting small businesses, increasing tax revenue, and offering new workforce development opportunities.

Environmental: At present, AI is incredibly [energy- and water-intensive](#), and AI data centers also have [negative local environmental impacts](#) on neighboring communities, such as air and noise pollution. As the City increases its use of AI to improve services and works to ensure equitable access for Oaklanders to economic opportunities in the AI sector, it will be imperative to collaborate with state and federal government partners on legislation and regulations to address the environmental impacts of AI.

Race & Equity: **Entertainment Zones** will strengthen small businesses and revitalize Oakland's commercial corridors. As the program expands citywide, it will create greater economic opportunity for businesses owned by historically disadvantaged communities—improving outcomes in entrepreneurship, employment, and neighborhood vitality. Energizing

these corridors will also drive tax growth, helping sustain and expand key City services that advance equity across multiple areas, including economic development, housing, public health, education, public safety, environmental quality, and transportation. Similarly, **Responsible AI Activation Zones** will promote equitable access to one of the fastest-growing sectors of the economy. These zones will help close gaps in education, income, and wealth—mitigating downstream inequities that affect overall community wellbeing. Finally, the City must continue to collaborate with state and federal partners to address the racialized environmental impacts emerging from the global proliferation of AI technologies.

ACTION REQUESTED OF THE CITY COUNCIL

Adopt The Following Pieces Of Legislation:

(A) A RESOLUTION (1) ESTABLISHING ECONOMIC ACTIVATION ZONES UNDER THE TOWN ALIVE PROGRAM TO SUPPORT ENTERTAINMENT ZONES AND RESPONSIBLE ARTIFICIAL INTELLIGENCE (AI) ACTIVATION ZONES IN THE CITY OF OAKLAND, BRINGING INNOVATIVE PROGRAMMING TO PUBLIC AND COMMUNITY SPACES; AND (2) AUTHORIZING THE CITY ADMINISTRATOR TO AWARD, NEGOTIATE AND EXECUTE A GRANT AGREEMENT WITH THE OAKLAND FUND FOR PUBLIC INNOVATION IN AN AMOUNT NOT TO EXCEED ONE MILLION DOLLARS (\$1,000,000) TO IMPLEMENT THE TOWN ALIVE PROGRAM FOR A TWO-YEAR TERM FROM NOVEMBER 1, 2025, THROUGH OCTOBER 31, 2027

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For questions regarding this report, please contact Chiamaka Ogwuegbu, Policy Director for At-Large Councilmember Rowena Brown, at COgwuegbu@oaklandca.gov.

Respectfully submitted,



Rowena Brown
City of Oakland, Councilmember At Large

Attachments (3):

Attachment A: Entertainment Zone Maps
Attachment B: Town Alive Program Summary
Attachment C: City of Oakland AI Equity Statement