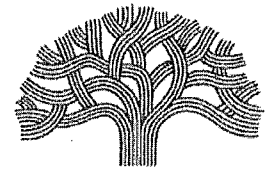


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OFFICE OF THE CITY CLERK
OAKLAND

2016 SEP -1 PM 2:55



CITY OF OAKLAND

CITY HALL ■ 1 FRANK H. OGAWA PLAZA, 2nd Floor ■ OAKLAND, CALIFORNIA 94612

Honorable Annie Campbell Washington
Vice Mayor, District 4

ACampbellWashington@Oaklandnet.com

Date: September 13th, 2016

To: President Pro Tempore Larry Reid and
Members of the Community and Economic
Development Committee

Cc: Sabrina Landreth, City Administrator
Claudia Cappio, Assistant City Administrator

Re: Establishing a Small Business Task Force

EXECUTIVE SUMMARY

This report (1) recommends that the City Council create a broad-based expert Small Business Task Force that will provide Council with facts, guidance, and recommendations in the work to significantly improve the communication with and support of Oakland's locally owned small businesses, and (2) establishes the procedures of the Small Business Task Force and provides terms and responsibilities of the Task Force members. The Task Force would be appointed within 30 days of passage of the resolution and deliver an action plan four months after their first meeting.

BACKGROUND

Increasingly, Oakland's small businesses – established and newly opened – are struggling to survive. The spirit of small businesses is scrappy, full of pride, innovative and community-driven – these are qualities that embody Oakland as well. These businesses define the heart of our City and their survival will contribute diverse and concrete profits. Research shows that vibrant local and small businesses increase community identity, health, involvement, and jobs in quantifiable ways.¹

Operating a small business is arduous in any environment, yet national surveys ranking the climate for small businesses, put California and the Bay Area at the bottom of the list.² Some of the most challenging issues, as defined by Oakland small business owners, include: contradictory regulations and requirements; difficulty maintaining a local and affordable workforce; and lack of communication between the City and small business owners throughout legislative decision-making processes.

Arguably, the most debilitating difficulty for small businesses in Oakland right now is maintaining a local and affordable workforce. As market housing prices continue to rise, the working class struggle to afford rent in Oakland, and as a result, fewer people are willing to work for the minimum wage that Oakland's small businesses can afford to pay. Thumbtack produces an annual "report card" comparing the environments of local small businesses across the country; Oakland earned a "D" grade in the "Employment, Labor & Hiring" category.³ In Staff's research

¹ <http://www.amiba.net/resources/local-business-environment/>

² <https://www.thumbtack.com/ca/oakland/#/2016/8>

³ <https://www.thumbtack.com/ca/oakland/#/2016/8>



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for this report, small business owners referenced innovative solutions that could improve their ability to maintain a stable workforce, but there is not currently a dedicated avenue for these creative ideas to be cultivated.

The plight of Oakland's small businesses is often confounded by unintended consequences of new City legislation. For example, the most recent garbage contract with Waste Management left Oakland's business owners with disproportionately high Waste Management bills; as they are today, these rates are the highest in the Bay Area. If small businesses had been consulted throughout the negotiation process, a more just and fair solution could have resulted. Similarly, with the passage of Measure FF, locally owned small businesses are scrambling with limited time, funds, and resources to ensure compliance with nuanced and complex requirements; a stronger partnership with the City will only serve to ease these burdens.

Certainly, the City can do more to ensure not only the survival, but also the prosperity of its small businesses. The critical first step is to consult the experts: the proprietors. Therefore, it is essential that this Task Force represent the issues and voices of locally owned small business owners across the City and that these representatives maintain strong working knowledge of City issues on the ballot and forthcoming in session, in order to provide feasible and actionable recommendations.

FISCAL IMPACT

Some staff resources will be dedicated to providing administrative support to the Task Force. A representative of the City Attorney's Office will provide legal advice and attend Task Force meetings as needed, as well as ensuring compliance with the Sunshine Ordinance and Brown Act noticing requirements.

COORDINATION

In the preparation of this staff report, the Vice Mayor's office coordinated with the City Administrator's office, the Office of the City Attorney, and received input from the Oakland Indie Alliance (OIA), as well as various unaffiliated small business proprietors throughout the City.

SUSTAINABLE OPPORTUNITIES

Economic: This effort will have long term benefits for the City of Oakland by identifying ways whereby the City can better communicate with, support, and sustain our local small businesses. Supporting a thriving and prosperous small business community furthers the City's economic goals by (1) increasing the City's tax base, (2) by providing direct and indirect local jobs, and (3) strengthening local spending. When local residents shop at locally owned small businesses within their communities, their tax dollars stay within the local economy, and these dollars then get re-circulated within the local economy because local businesses re-spend within the community using local suppliers and services. Relatedly, small businesses create the majority of jobs in the U.S. economy and most of those jobs are local jobs.

Social Equity: This venture has untold potential for socially equitable impacts throughout the City. Identifying shortcomings within our City systems and providing enhanced services to our



most vulnerable small businesses will only serve to strengthen our connection to and support of those in need of assistance.

Environmental: There are no environmental opportunities associated with this report.

For questions regarding this report, please contact Adam Simons, Chief of Staff, Office of Vice Mayor Annie Campbell Washington at ASimons@oaklandnet.com or 510-238-7042.

ACTION REQUESTED

Adopt a resolution (1) creating a limited-duration Small Business Task Force within the City of Oakland, and (2) establishing the terms and responsibilities of Task Force Members.

Respectfully submitted,



Vice Mayor Campbell Washington
Councilmember, District 4



16 SEP -1 PM 2:34

Approved as to Form and Legality


City Attorney's Office

OAKLAND CITY COUNCIL

RESOLUTION NO. _____ C.M.S.

INTRODUCED BY VICE MAYOR ANNIE CAMPBELL WASHINGTON

Resolution Establishing a Small Business Task Force and Providing the Terms and Responsibilities of the Task Force Members

WHEREAS, it is the desire of the City Council to create a Small Business Task Force to provide Council with facts, guidance, and recommendations to significantly improve the communication with and support of Oakland's local small businesses; and

WHEREAS, within four months of the first meeting of the Small Business Task Force, that body will present to the Oakland City Council an action plan to significantly improve the communication with and support of Oakland's local small businesses, including addressing strategies to create jobs and economic growth in Oakland, by examining potential new policies within the City of Oakland's municipal power that will benefit our local small business owners and residents alike (herein the "Action Plan"); and

WHEREAS, the Small Business Task Force will be comprised of eleven (11) members from various areas of expertise – eight (8) to be appointed by the Council and three (3) by the Mayor; now therefore

BE IT RESOLVED: that it shall be the function and duty of the Small Business Task Force to develop the Action Plan for Oakland to significantly improve the communication with and support of Oakland's local small businesses, using the following guiding principles:

- a. That the Action Plan will be a collaborative effort with input and testimony from industry experts and small business proprietors alike, reflective of Oakland's diverse makeup;

- b. That the Action Plan will address strategies to create jobs and economic growth in Oakland, by examining potential new policies within the City of Oakland's municipal power that will benefit our small business owners; and
- c. That the Action Plan will be presented to the Council within four (4) months of the first meeting of the Task Force members and will be a guide for Oakland's ongoing support of and relationship to our small business culture and community; and, be it

FURTHER RESOLVED: That the Task Force shall consist of eleven (11) members, overseen by the Office of the City Administrator, with a designated staff member from each of the following City Departments:

- a. Economic & Workforce Development
- b. Planning and Building

FURTHER RESOLVED: That the Mayor shall appoint three (3) Task Force members, each Councilmember shall appoint one (1) Task Force Member; and be it

FURTHER RESOLVED: That six (6) members of the Task Force shall constitute a quorum; and be it

FURTHER RESOLVED: That the Task Force members shall be appointed to terms of four months, said term to commence upon the date of the Task Force's first meeting; and be it

FURTHER RESOLVED: That the Task Force shall naturally dissolve after the Action Plan is presented to the City Council, four months after the first meeting of the Task Force members; and be it

FURTHER RESOLVED: That the Task Force shall serve at the pleasure of their appointing authority, and a vacancy on the Task Force will exist whenever a member dies, resigns, or is removed; and be it

FURTHER RESOLVED: That the Task Force members shall elect a chairperson and a vice chairperson, who shall serve for a four-month term, or until the Task Force is dissolved; and be it

FURTHER RESOLVED: That the Task Force shall conduct three public meetings at City Hall, at an established date and time suitable for this purpose, and that such meetings shall be designated regular meetings, which shall be held in accordance with the state and municipal open meeting laws (Brown Act and Sunshine Ordinance); and be it

FURTHER RESOLVED: That the Task Force may not create any standing committees for the purpose of delegating any of the committee's decision-making or duties, but may form ad hoc committees as needed; and be it

FURTHER RESOLVED: That the City Administrator, or designee, shall provide the Task Force with staff assistance including but not limited to: a designated staff person from the Economic and Workforce Department and the Planning and Building Department; similarly, a representative of the City Attorney's office shall provide legal advice as appropriate.

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