

**REDEVELOPMENT AGENCY
OF THE CITY OF OAKLAND**

AGENDA REPORT

2008 DEC -4 PM 3: 10

TO: Office of the City/Agency Administrator
ATTN: Dan Lindheim
FROM: Community & Economic Development Agency
DATE: December 16, 2008

RE: **A Report on the Interim Plan to Provide Business Retention, Expansion and Support Services Pending the Conclusion of a Competitive Request for Proposals (RFP) Process, and a Recommendation to Authorize \$40,000 for Such Services**

SUMMARY

This staff report provides information on the Interim Plan to provide businesses in Oakland with retention, expansion and support services, adjunct to those provided by City Business Development Services, for the first quarter of 2009. This work plan proposal is interim to the selection and approval of a contract(s) for such services. Staff requests authorization of the Redevelopment Agency[for Interim Plan funds in an amount not to exceed \$40,000, to be drawn from the funds authorized on July 22, 2008 for the BRE Consultant RFP budget. In addition to the funds, the implementation of this Interim Plan will consume up to 25% of the weekly work program of the CEDA Industrial Specialist's time, with additional staff support (up to .20 FTE) from Redevelopment staff during the Interim Plan period, in order to compensate for the lack of an outside contractor(s). This will have an affect on the staff workprogram within CEDA.

The current contract for these services expires on December 31, 2008. On October 28, 2008 staff released for circulation a Request for Proposals for Business Retention, Expansion and Support (BRE) Services. A pre-bid conference was held on November 12, 2008, and proposal bids are due on December 5, 2008. Staff will return to Council in early 2009 with a recommendation for consultant contract(s). The following Interim Plan addresses the gap in services to be filled from January 2009 through the awarding and completion of contract documents, anticipated to be no later than Spring 2009.

FISCAL IMPACT

There was \$300,000 budgeted in the FY 2008-09 Mid-cycle Budget--in the Coliseum, Central District and West Oakland project areas--for business development support services contracts. A total of \$150,000 was expended for the July - December 2008 period in a contract with Oakland Commerce Corporation (Agency Resolution No. 2008-0073 C.M.S.). Staff proposes to use an amount not to exceed \$40,000 for the first quarter of 2009 (January - April, 2008) leaving \$110,000 for the new BRE contract(s). Staff will return to Council no later than the spring of 2009 with the final BRE Contract recommendations and resolution(s).

Item: _____
CED Committee
December 16, 2008

The allocation of \$40,000 would come from the following sources, all within Entity 5 (ORA):

Fund	Org	Project	Amount
ORA 9450	88659	Coliseum (S82600)	\$ 20,000
ORA 9590	88559	West Oakland District (S233520)	\$12,000
ORA 9510	88559	Central District (S00800)	\$ 8,000

BACKGROUND

On October 16, 2008 the Council directed staff to circulate the RFP for BRE services and requested this report in order to provide seamless service delivery to the commercial/industrial businesses in Oakland. The delivery of interim direct business support services will be managed by Business Development Services (BDS) staff, with cooperation from staff of the Redevelopment Division. There are ten professional Business Development Staff and two administrative staff who provide the business community with supporting services, including city procedural guidance, location assistance, introduction to the network of Business Service Providers, information about commercial neighborhoods and other tasks. Four of these staff focus on retail and or special projects, two are in office/international trade, and two are dedicated to industrial and/or green business. There is one BID Manager and one Enterprise Zone Program Coordinator. Additional services are needed, particularly for direct business services to the industrial businesses, which are located in a wide-spread area of 4,500 acres. The BRE contract(s) have been managed by the Economic Development Division, Industrial Specialist, along with assistance from Redevelopment staff in the management of the Commercial Security contract.

KEY ISSUES AND IMPACTS

Description of Activities for Interim Services

Staff requests authorization to use the identified BRE budget shown in the Fiscal Impact Section of this report to support delivery of these services through a professional service contract in the total amount not to exceed \$40,000 for the four month period January – April 2009. The contract services are to augment BDS staff in conducting day-to-day outreach to the business community, including identification of support for new businesses. The interim contracts will support staff facilitation of existing meetings, continue “on-the-street” retention efforts with business, and will expand information outreach through newsletters. A summary of these tasks and recommended expenditures are:

Item: _____
CED Committee
December 16, 2008

Task	Description	Budget
Ongoing Retention	Direct business contact plus analysis of impediments to business conduct, with new research for West Oakland, with funds to pay for data, mapping and research.	\$5,000
Targeted Surveys	Implement surveys using existing CEDA and existing survey lists to Industrial Districts in Central East Oakland studied through the Economic Development Administration (EDA) grant with technical assistance as needed. Costs include reproduction of survey, if not done electronically.	\$15,000
Facilitation of Meetings	Conduct CCCAC and Business Alert meetings and associated notices, recording of minutes and venue rentals as needed.	\$10,000
Graphic Design & Marketing	Production of newsletters for Business Alert, Industrial Newsletter, business retention initiatives including mailings.	\$10,000

1. Direct Business Contacts- \$5,000

During the first quarter of 2009, Business Development Services staff will expand direct outreach activities. Staff has recently completed a one-year Industrial District Strategy and its completion frees up some staff time to increase direct contact with the business community and expand the Strategy into West Oakland. Staff will implement the District Strategy goals of soliciting input from businesses on their needs for improvements in infrastructure, increasing their knowledge of the business supplier networks to encourage use of local products and services, and to strengthen the opportunities for local employment in the trade and logistics, food production and distribution, green technology and other related sectors that have strength and/or opportunities in Oakland's industrial lands.

Resources Needed: In order to implement continuing retention work, and expand such work into West Oakland, staff requests funds of up to \$5,000 to complete the GIS survey work for the proposed Industrial District in West Oakland, in order to obtain current data (infrastructure as well as address data) from which to conduct direct business assistance. The GIS work would be conducted by the CEDA Street Design Engineering and Construction Division.

2. Targeted Surveys- \$15,000

Staff will conduct a survey targeted to the businesses in the three industrial districts studied through the EDA grant-funded program as a project in the first quarter of 2009, including the next Industrial District to be studied (West Oakland Industrial Sub-Area 15/Upper Mandela). Staff has a current property list, through the GIS mapping, and will use existing data from the

Item: _____
 CED Committee
 December 16, 2008

prior contractor and other sources to update the mailing list. With this survey work completed, the contractor(s) who are selected can begin with new information and immediately initiate follow up to the survey results in these areas. The new Survey contractor can expand the work to include areas not covered by the winter survey. The Estuary Area business needs (including Industrial Sub-Areas 11, 17 and 4/waterfront) will be served by the directives for the Specific Plan consultant, working in conjunction with BDS staff.

Resources Needed: Staff asks for authorization to use a portion of funds not to exceed \$15,000 of the identified \$40,000 interim budget, for the implementation of an Interim Survey and mailing/emailing of the survey instrument.

3. Facilitation of Meetings- \$10,000

Staff proposes to facilitate the following meetings, which in the past have been handled by the contractor: monthly Coliseum Commerce Center Advisory Committee (CCCAC), monthly Business Alert (Coliseum and West Oakland) and a quarterly meeting of the Coliseum Construction Corridor. In addition, staff will continue to attend other commerce-related meetings such as redevelopment project area committees, the Chamber of Commerce and West Oakland Commerce Association, as appropriate to the commercial-industrial business sector needs. Staff will continue to expand the Business Alert programs through broader notification and direct follow up calls about upcoming meetings.

Resource Needs: Staff asks for authorization to use a portion of funds not to exceed \$10,000 (Includes administration, noticing and recording of meetings, and meeting room rental.

4. Graphic Design and Marketing- \$10,000

Staff asks for authorization to use a portion of funds not to exceed \$10,000 for graphic design and print production for the period January – April 2009, in order to expand outreach efforts, maintain the Business Alert newsletter and the Industrial Newsletter. This budget would include the actual design and as needed print production of any surveys and meeting announcements.

SUSTAINABLE OPPORTUNITIES

Economic: The Interim Plan will support business growth, retention and attraction, and thereby may increase revenue through business sales and property tax.

Environmental: The Interim Plan will coordinate with the City's "Green Business" and sustainability initiatives to evaluate and develop projects/programs to support green business in Oakland.

Social Equity: The Interim Plan will support job growth in Oakland, including entry level through skilled employment opportunities for Oakland residents.

DISABILITY AND SENIOR CITIZEN ACCESS

This report and resolution does not raise any issues directly impacting disability and senior citizen access.

ACTION REQUESTED OF THE CITY COUNCIL

Staff recommends that the Redevelopment Agency authorize \$40,000 of the annual \$300,000 allocation authorized by the Agency on July 22, 2008 for BRE Services for interim contract services for the first quarter of 2009, January 2009 through April 2009. Staff will return to Council/Agency for the approval of a recommended BRE Professional Service Contract(s) in the early part of 2009.

Respectfully submitted,



Dan Lindheim, Director

Community & Economic Development Agency

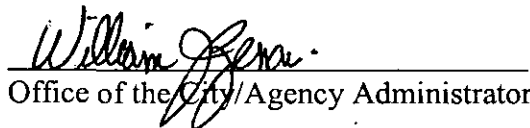
Reviewed by

Gregory Hunter, Deputy Director of
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Prepared by:

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APPROVED AND FORWARDED TO THE
COMMUNITY AND ECONOMIC DEVELOPMENT COMMITTEE



Office of the City/Agency Administrator

Item: _____
CED Committee
December 16, 2008