



AGENDA REPORT

TO: Sabrina B. Landreth
City Administrator

FROM: Mark Sawicki
Director, EWD

SUBJECT: Economic Development Quarterly
Tracking Report

DATE: August 15, 2016

City Administrator Approval

Date:

9/14/16

RECOMMENDATION

Staff Recommends That The City Council Accept An Informational Quarterly Tracking Report On Economic Development Activities.

EXECUTIVE SUMMARY

This report covers the period from April 1, 2016 to June 30, 2016. It responds to the Community and Economic Development (CED) Committee's request for a standing quarterly report to track economic development activities and actions (**Attachment A**). This quarter's report has been reformatted to include a smaller sample of business development highlights while providing more details about these activities.

Please also find attached the Quarterly Economic Dashboard (**Attachment B**) covering employment, job growth, real estate, and revenue information, as well as the August issue of our monthly newsletter (**Attachment C**) also highlighting several new businesses and trends in the Oakland economy. Both are available for subscription at www.business2oakland.com.

For questions regarding this report, please contact Zach Seal, Economic Development Specialist, at (510) 238-2937.

Respectfully submitted,

Mark Sawicki, Director
Economic and Workforce Development Department

Reviewed by:
Aliza Gallo, Economic Development Manager

Prepared by:
Zach Seal, Economic Development Specialist

Item: _____
CED Committee
September 27, 2016

Economic Development Division Staff

Attachments (4):

- A) Economic Development Staff Activities, 2nd Quarter (April-June) 2016
- B) Oakland Quarterly Economic Dashboard, 2nd Quarter (April-June) 2016
<https://magic.piktochart.com/output/15331741-oakland-economic-dashboard-q2-2016>
- C) Economic Development monthly newsletter, August 2016:
<https://content.govdelivery.com/accounts/CAOAKL/bulletins/15a42ad>
- D) Broadway Corridor Retail Brochure

Economic and Workforce Development Department
 Economic Development Unit
 Activities Report for April-June 2016

Business Attraction/Retention/Expansion Highlights
 (listed in alphabetical order by sector)

Company	Sector	Council District	Employees	Notes/Status/Business Needs
Fairfax District	Commercial Corridor Revitalization	4	unknown	Inventoried development and tenanting opportunities of vacant sites in convert with Council District 4, and concerned businesses and residents.
Comfy (formerly known as Building Robotic)	Green & Cleantech	3	35	Recruited Comfy in collaboration with the East Bay Economic Development Alliance to present to the Japanese External Trade Organization for potential international sales expansion. Comfy's software allows office workers to control heating and cooling conditions at their own personal work stations. Founded out of UC Berkeley, Comfy closed a \$12 million fundraising round in June, 2016 to support its rapid growth.
Vigilent (Expansion)	Green & Cleantech	3	80+	Leveraged U.S. Agency for International Development and Department of Commerce contacts to connect Vigilent to a senior government delegation from Vietnam. Vigilent is a leader in optimizing energy efficiency of cooling systems for data centers. The company was founded at UC Berkeley and moved to Oakland from El Cerrito in late 2013.
Kennedy Business Center (Attraction)	Industrial/ Retail	5	unknown	Explored street road closure due to blight, crime and graffiti and assisted with tenant referrals. The 100,000 square foot manufacturing facility is under new ownership with plans for 3-5 new light industrial tenant spaces.
MSA Architecture (Attraction)	Professional - Design	3	25	Assisted with site location and zoning business licensing. MSA Architecture a Design Firm that specializes in building systems review and scoping.
Brush Street Group (Retention)	Real Estate holding company	3	5	Extended Brownfield Cleanup Loan while ensuring City can re-coup loan principal at a future date.

Economic and Workforce Development Department
Economic Development Unit
Activities Report for April-June 2016

Company	Sector	Council District	Employees	Notes/Status/Business Needs
Telegraph Brewing (Attraction)	Retail/ Manufacturing	1	15	Identified prospective locations including the ultimate one, and helped company navigate the regulatory process, including a "pre-pre-app" meeting with staff from Planning, Building and Fire. Staff also referred client to facade and tenant improvement grants and lending resources. Telegraph Brewing does on- and off-sales with space for food trucks.
Forge Kitchen (Attraction)	Retail - Food & Beverage	3	5	Assisted with the permitting process for City Fire and EBMUD permits . Forge Kitchen is a commercial kitchen/café and other associated retail and custom manufacturing activities.
Four Barrel Coffee (Attraction)	Retail - Food & Beverage	3	7	Assisted this San Francisco-based coffee wholesaler and roaster with the permitting process for PGE, zoning and building permits.
Impossible Foods (Attraction)	Retail - Food & Beverage	7	25	Introduced business to Building staff and facilitated pre-application for soft demolition and other permits by this \$100 million-funded food company.
Bandcamp (Attraction)	Technology	3	40	Collaborated with Planning staff to help design their ground floor music store. Bandcamp is an online music platform for fans to connect with and support musicians.

Economic and Workforce Development Department
Economic Development Unit
Activities Report for April-June 2016

Activity Highlights

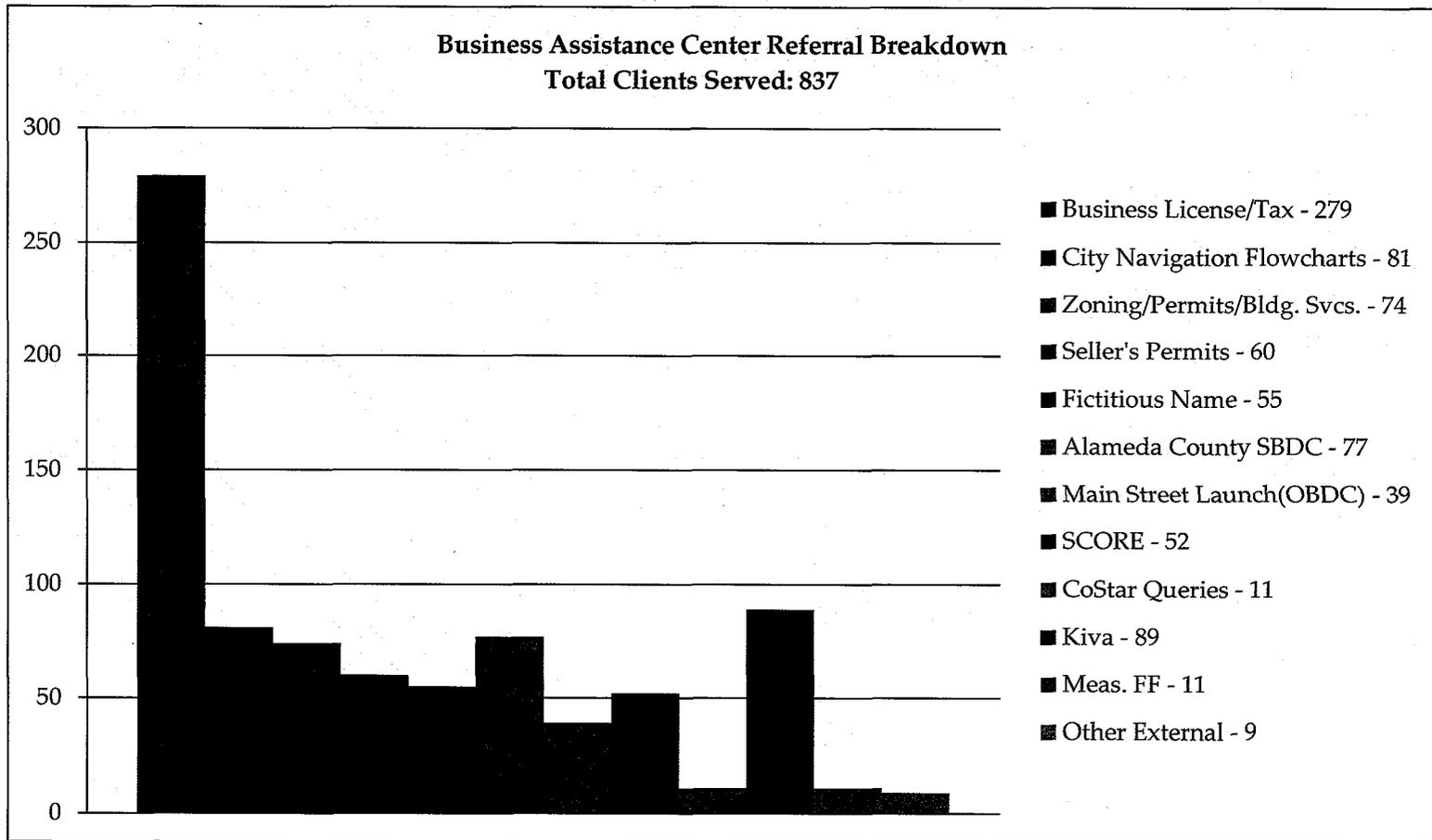
- Coordinated endorsement of four more **Kiva Zip** loans totaling \$40,000 for Oakland small businesses. Conducted two Kiva Zip Information Workshops in the Business Assistance Center (BAC). Special Kiva Oakland campaigns were conducted for Latham Square merchants and Spanish speaking merchants.
- Secured \$370,000 in **Broadway Shuttle** grants through the "Spare the Air" program by testifying at a Bay Area Air Quality Management District (BAAQMD) committee meeting and working with BAAQMD staff. These grants will help keep the B shuttles running without reducing service or using City General Fund money.
- Negotiated terms of a 30-month contract renewal with AC Transit to operate the **Broadway Shuttle** through December 2018. The contract includes no rate increase for first 15 months of the contract, and a 3.6% increase during the second 15 months.
- Facilitated \$2.2 million in assessment payments from the Alameda County Assessor to the 11 citywide **Business Improvement Districts (BIDs)/Community Benefit Districts (CBDs)**.
- Collaborated with Council President Lynette Gibson McElhaney to participate in annual **International Council of Shopping Centers Real Estate Convention**. Met with developers and retail brokers regarding: The Ridge shopping center, Target, vacant Walmart space, Oak Knoll retail, proposed Fruitvale store, 1500 Broadway and 1911 Telegraph.
- Completed **Retail Attraction Brochure** featuring Broadway from Jack London Square to I-580 that describes retail potential along the corridor (square feet in the pipeline, demographics, existing national retailers, map).
See Attachment D

Economic and Workforce Development Department
Economic Development Unit
Activities Report for April-June 2016

- Recruited members of Oakland's green and cleantech communities for **Energy and Climate Action Plan** focus group hosted by Environmental Services. Participants helped identify new or underutilized resources to cut greenhouse gases in Oakland.
- Supported **13th Street/Broadway Merchant Watch Group** in the wake of the neighborhood's second fatal 2016 shooting by coordinating with OPD Neighborhood Services to facilitate meeting with Oakland Unite, the new owners of the Merchants Garage, and neighborhood merchants and property owners.
- Purchased \$4K in City advertising to support the **Chinook Book**, which promotes over 90 small Oakland businesses. Chinook provides online and hardcopy discounts at businesses offering green, organic, and locally made goods and services.
- Participated in **Bay Area Maker to Manufacturer** survey of four cities (San Francisco, Oakland, Fremont, San Jose) by creating new database of manufacturers in Oakland and circulating a survey about retention, expansion and location needs. Results will be published in November 2016 along with strategies to grow manufacturing in the Bay Area.
- Held three **Business Alert** meetings in West Oakland focusing on homeless encampment mitigation strategies for neighboring businesses. Engaged with members of Embarcadero Cove Business Alert to help mitigate negative conditions in Union Point Park and surrounding businesses. These meetings included coordination with the Port of Oakland, Coast Guard, Parks & Recreation, and Oakland Public Works Agency.

Economic and Workforce Development Department
Economic Development Unit
Activities Report for April-June 2016

Business Assistance Center (BAC) Statistics



Economic and Workforce Development Department
Economic Development Unit
Activities Report for April-June 2016

Event Highlights

Small Business Week	Produced full week of events, including an evening honoring legacy businesses, City Council recognition of outstanding small businesses, and "Healthy Business, Healthy Communities" event with Rep. Barbara Lee, Mayor Libby Schaaf, and SBA Administrator Maria Contreras-Sweet honoring Oakland's Revolution Foods and Nona Lim Company. 500 individuals attended Oakland Small Business Week.
<u>Vator Splash</u>	Designed the local programming for the technology conference and hosted a competition for Oakland startups to win local recognition and the opportunity to pitch in front of the investors in attendance.
California Downtown Association	Moderated panel discussions and coordinated speakers for three panels: Retail Recruitment, Economic Development and Transportation, and Sustainability in the City.
Business Assistance Center (BAC) Legal Clinic	Provided free legal advice to small businesses - 30-minute consultations in English, Spanish, Vietnamese and Chinese. 45 clients attended during the second quarter of 2016.
East Bay Municipal Utilities District (EBMUD) Contract and Procurement Workshop	Conducted outreach and tabled. 200 individuals and 25 exhibitors participated in this event.
Bay Area AltCar Expo	Promoted event to the green, cleantech, and broader Oakland economic development network. Event featured test drives and education sessions on electric, hybrid, and hydrogen fuel cell vehicles, with free admission to the public.

OAKLAND BUSINESS



A Retail Resurgence

Oakland's retail resurgence continues to gain pace with new restaurants, live venues and galleries leading the way, but the even better news is we are now seeing the beginnings of a soft-goods revival. All three proposals I received for a recent lease on 19th Street came from soft goods retailers and a lease was signed with a furniture design store."

— Steve Banker, LCB Associates

OAKLAND

is rising as a prime destination for shopping
BE A PART OF IT!



Over 500,000 square feet of Retail Space Under Construction in 2016

BUSINESS IMPROVEMENT DISTRICTS

- | | |
|---------------------|--------------------|
| Downtown Oakland | Lakeshore Avenue |
| Fruitvale | Laurel |
| Jack London | Montclair |
| KONO | Rockridge |
| Lake Merritt/Uptown | Temescal/Telegraph |

SPECIFIC PLAN AREAS

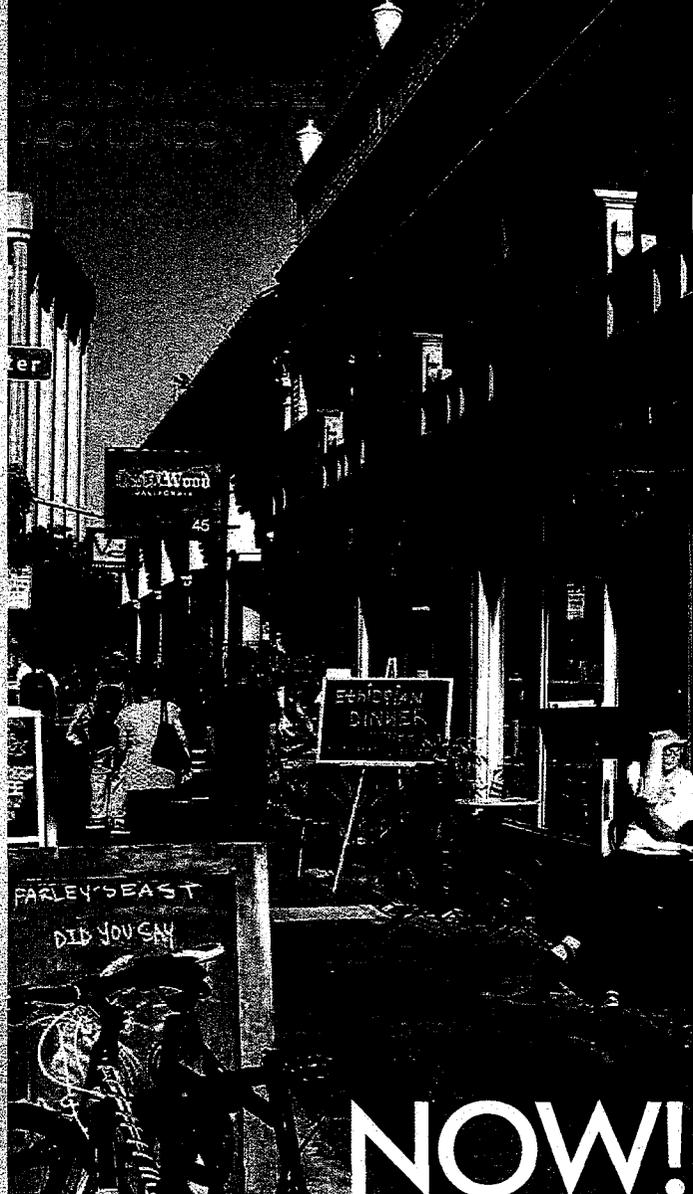
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|-----------------|-------------------------------|
| Broadway/Valdez | Downtown Oakland (in process) |
| Central Estuary | Lake Merritt Station Area |
| Coliseum Area | West Oakland |

SHOPPING PLACES

- | | |
|---|------------------------------|
| 2630 Broadway | Fruitvale Station |
| 3093 Broadway | Hive Oakland |
| 5110 Telegraph | Jack London Gateway |
| 2302 Valdez | Jack London Square |
| 2315 Valdez | MacArthur Station |
| City Center | Merrill Gardens at Rockridge |
| Coliseum Center | Old Oakland |
| Durant Square | The Ridge |
| East Bay Bridge | Seminary Point |
| Foothill Square | Shops at Broadway |
| Eastmont Town Center | Temescal Alley |
| Fruitvale/Melrose | Temescal Plaza |
| Fruitvale Village + Fruitvale Public Market | Uptown Station |

Graphic Design: MmM Design. All Photos: Greg Linhares

OAKLAND



NOW!

OAKLAND'S GREATER DOWNTOWN

84,000
DAYTIME
POPULATION
WITHIN 1 MILE



261,000
RESIDENTS
WITHIN 3
MILES

\$31 MILLION
IN SALES FROM
RESTAURANTS & BARS
UPTOWN 2013



OVER 1 MILLION
ARTS AND
ENTERTAINMENT
PATRONS

300,000 sqft
RETAIL SPACE
RECENTLY BUILT
OR IN DEVELOPMENT



2,628
HOUSING UNITS
IN DEVELOPMENT

36%
OF HOUSEHOLDS
HAVE INCOMES EARNING



\$100,000+
WITHIN 10 MILES

2,000
OFF STREET
PARKING SPACES



5 FREEWAY
ENTRY/EXITS WITHIN 1 MILE

3,000,000+
ANNUAL EXITS
DOWNTOWN & UPTOWN
BART STATIONS



767,000
FREE B-SHUTTLE
RIDERS 2015

169,000 ADT 24/980 AT 18TH ST
22,340 ADT W. GRAND & TELEGRAPH



99
WALK SCORE
"WALKERS PARADISE"



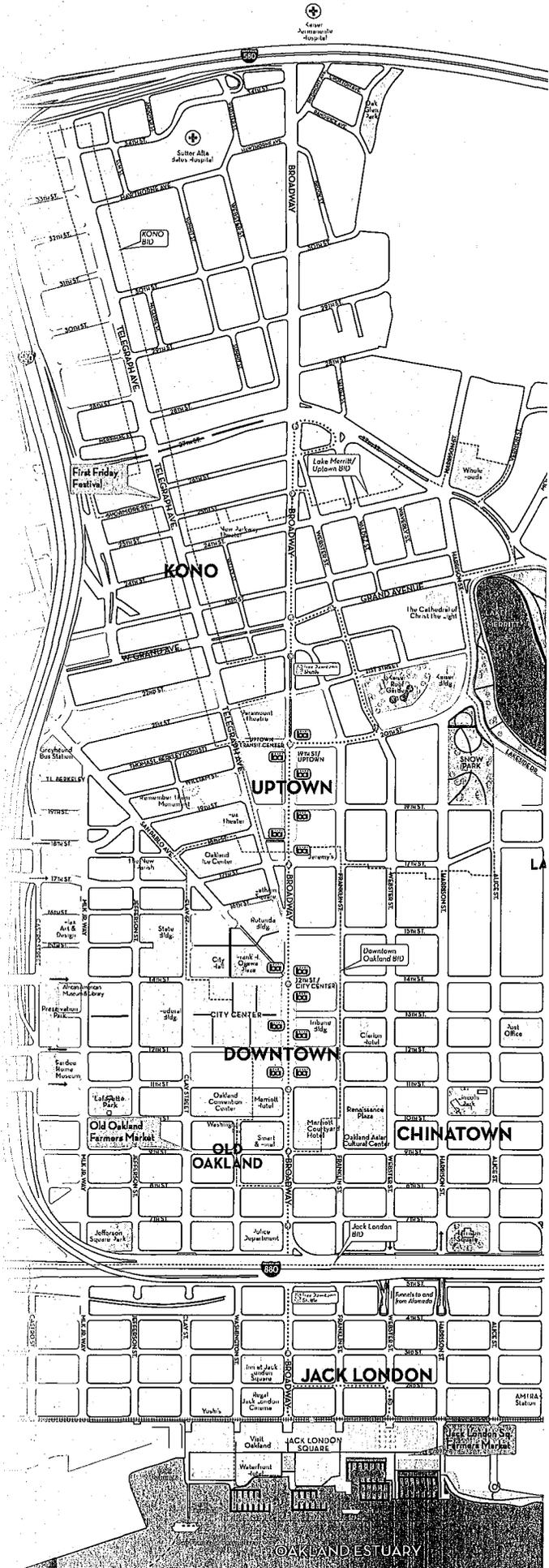
89
BIKE SCORE
"VERY BIKEABLE"

84
TRANSIT SCORE
"EXCELLENT TRANSIT"

NATIONAL RETAILERS IN OAKLAND

7-Eleven (7)
24 Hour Fitness (2)
99¢ Only (2)
Active Sports Clubs
Bed Bath & Beyond
BavMol
Black Bear Diner
Boston Market (2)
Best Buy
Chipotle (2)
Cost Plus World Market
Cream
CVS/pharmacy (8)
dd's Discounts
Denny's
Dollar Tree
Falls
FoodMaxx (2)
Foot Locker (2)
Foods Co
Gap
GNC Nutrition (2)
Grocery Outlet
IKEA
Home Depot (2)
In-N-Out Burger
Jamba Juice (2)
Landmark Theaters
Lucky (2)

Michael's
Mi Pueblo
Nordstrom Rack
Office Depot (2)
Pak 'n Save
Panera Bread
Peet's (8)
Planet Fitness
Radio Shack
Rainbow (3)
Regal Cinemas
Rite-Aid (2)
Ross
Safeway (5)
Sally Beauty Supply
Sleep Train (2)
Smart & Final
Smart & Final Extra!
Smash Burger
Sport Authority
Sprouts
Starbucks (16)
Target
Toys R Us
Ultra Beauty
Trader Joe's (2)
Ultra Beauty
Walgreens (8)
Whole Foods

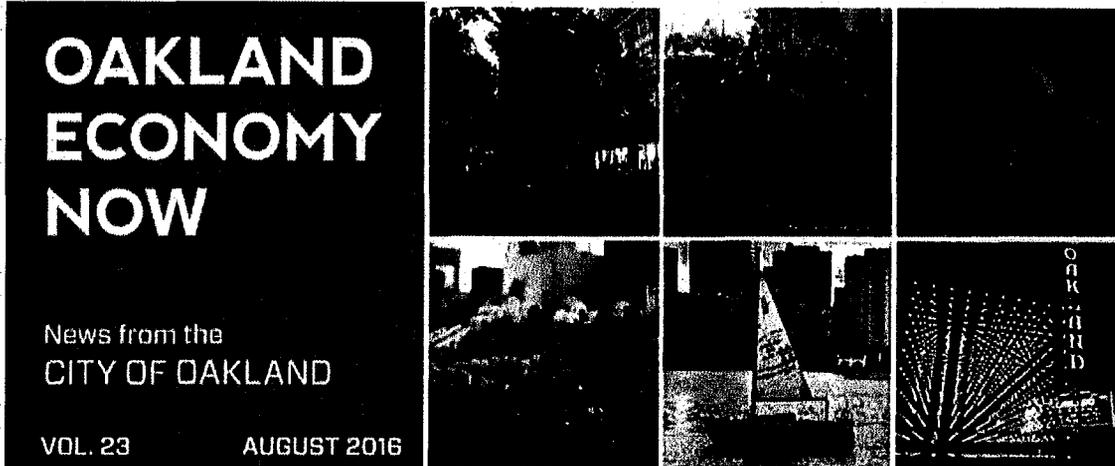


GET THE HELP YOU NEED!
For locations, zoning info, permitting process, & local insights
visit www.oaklandnet.com/retail,
or contact Keira Williams, Retail Specialist:
kwilliams@oaklandnet.com or 510.238.3853.



Art + Soul, Marketing Tools, Coding for Kids & Architecture Awards: Oakland Economy Now's August Issue

City of Oakland sent this bulletin at 08/03/2016 11:00 AM PDT



Having trouble viewing this email? [View it as a Web page.](#)

ART + SOUL

Art + Soul: Two Sensational Days of Music, Art, Food and Fun in Downtown

Save the weekend of August 20-21 for the 16th annual [Art + Soul](#) festival on the streets and plaza in front of Oakland City Hall. This year's festival is headlined by Oakland's own [Tony Toni Toné](#) and the [Oakland Public Conservatory of Music](#), celebrating their tenth year of offering high-caliber music education to Oakland youth. The City-sponsored festival also includes gospel, blues, circus and dance stages, an artisan marketplace, an instrument petting zoo hosted by the [Oakland Symphony](#), Family Fun Zone and the Oaktown Throwdown BBQ competition. Art + Soul is produced by the City's [Cultural Arts & Marketing Division](#).

RESOURCES

[Opening a Business? Contact us!](#)

[Business Assistance Center](#)

[Zoning & Permits](#)

[Quarterly Economic Dashboard](#)

[Minimum Wage & Employment Laws](#)

[KivaZip Oakland](#)

[Foreign Trade Zone](#)



RESOURCES

Oakland Digital Offering Design and Marketing Help to Small Businesses

Starting this month, the Oakland Digital Arts & Literacy Center is offering very low cost, fast turnaround design and marketing services for small businesses. Oakland Digital has joined with the City's Business Assistance Center, Google and the Warriors Community Foundation to launch BRIDGEGOOD, a platform that connects talented early-stage creative designers to small businesses. Oakland Digital's local designers will provide up to 150 small businesses with a range of business marketing services, including brochures, logos, stationary, videos and other graphic design services within a seven day period. For more information or to sign up, go to Bridgegood.com or contact Juno Thomas and Susana Villarreal at the Oakland Business Assistance Center.



NEW BUSINESSES

Philomena Pizza
Izzy's Steaks
The Port Bar
True Pops

UPCOMING EVENTS

Small Business Exporter Financing And Resources Forum
August 3 @ City Hall

How Should We Use Public Land?
August 17 @ SPUR

Art + Soul
August 20 & 21 @ Frank H. Ogawa Plaza

Umoja Festival
August 20 @ Lowell Park

OAKLAND IN THE NEWS

Exclusive: Uber Oakland office developer to build second creative office hub
SF Business Times, Jul 6

In push to diversify tech, Kapor Center opening in Uptown Oakland
SF Business Times Jul 6

Oakland port's new rail yard likely to boost local economy
East Bay Times, Jul 7

East Bay Business is Booming
KTVU, Jul 7

Southwest announces first direct international flights from Oakland
San Jose Mercury News, Jul 13

Visit Our Newsletter Archive

WORKFORCE

BMOC Career Summit Yields 350 New Hires

Nearly 1,000 young adults attended the Boys and Men of Color Career Summit in Oakland on July 21, along with U.S. Secretary of Education John King, former NFL superstar Marshawn Lynch, and My Brother's Keeper Alliance CEO, Blair Taylor.

Thirty employers helped young adults explore career pathways at their organizations and conducted 600 job interviews.

Congratulations to the nearly 350 new hires who were offered jobs on the spot!

BUSINESS DEVELOPMENT

GoldieBlox, Oakland Maker of Engineering Toys for Girls, Creates Kids' Coding App

Oakland toymaker GoldieBlox is on a mission to get girls passionate about engineering. Launched by a Stanford Engineering graduate in 2012, the local toy line is now carried worldwide by over 6,000 retailers. Goldieblox has now created a GoldieBlox mobile app that teaches the fundamentals of computer science, featuring hero GoldieBlox and Princess-turned-Engineer Ruby Rails. Oakland families looking for even more STEM activities for girls should check out this resource guide from local nonprofit TechBridge, which provides after-school and summer programs at Oakland public schools.

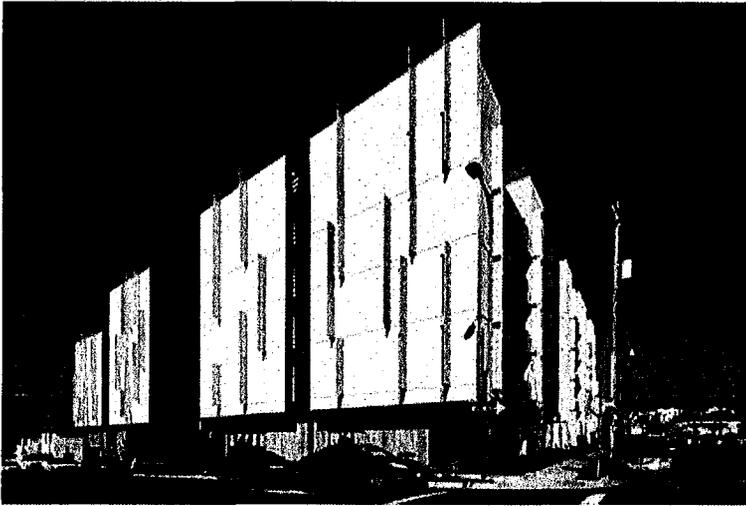
HONORS & AWARDS

Lake Merritt Affordable Housing Wins Design Award

One of Oakland's newest buildings, the 92-unit Lakeside Senior Apartment building, has won the prestigious AIA-HUD Secretary's 2016 Design Award. Designed by David Baker Architects, the new building provides homes for seniors, including formerly homeless seniors, just one block from the renovated Lake Merritt waterfront and within walking range of parks, playgrounds, restaurants, and shops. The building is topped by a fifth-floor suite of community spaces, including garden plots for residents, a community room, kitchen, outdoor decks and a wellness studio—all with spectacular lake and city views.



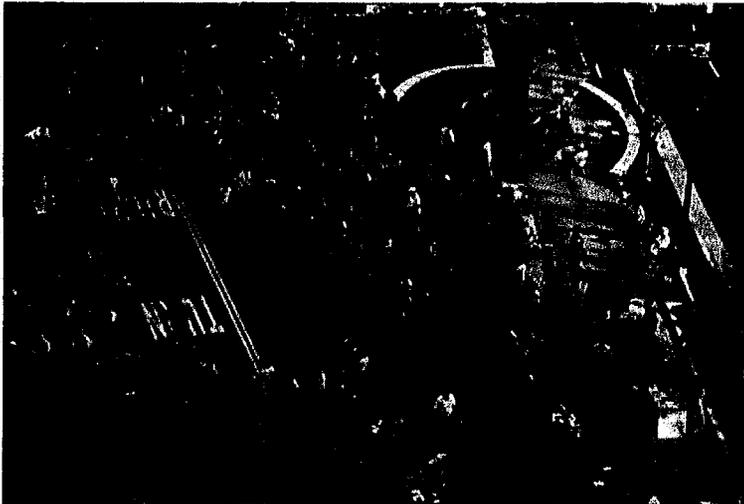
CITY OF OAKLAND



TRANSPORTATION

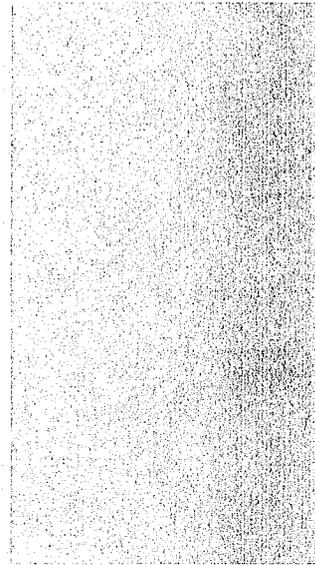
Latham Square Grand Opening a Big Success

Hundreds of people came out on July 28th to celebrate the grand opening of Latham Square, where Uptown and Downtown meet. "This is a magical space," declared Mayor Libby Schaaf. "Latham Square is the most recent example of Oakland's commitment to building public spaces that encourage social connection and support neighborhoods, mobility, economic development and healthy living."



Interim Director Named for New Department of Transportation

The City of Oakland has recently established a new Department of Transportation (DOT) with responsibility for transportation planning and design, repaving, street and sidewalk maintenance, safety and parking. Jeffrey Tumlin, Principal and Director of Strategy at the transportation consulting firm Nelson/Nygaard, is serving as Interim Director, bringing more than 20 years of experience helping cities across the world achieve economic development, quality of life, social equity and ecological sustainability goals. Describing transportation's value to the local economy, Tumlin says, "Movement in itself is value neutral. But the opportunity for movement creates or accelerates economic opportunities."





Employment

Unemployment Rate

5.2%

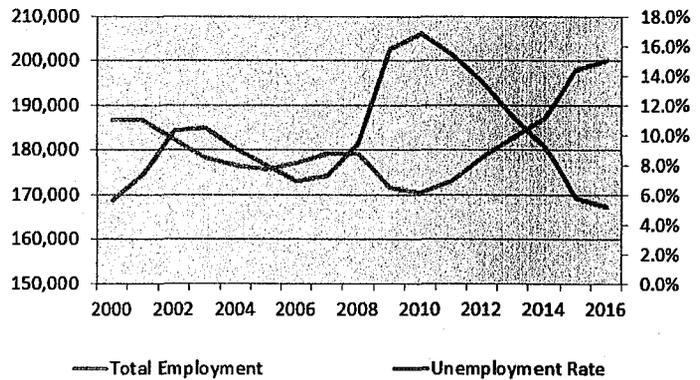
Q2 2015: 5.7%

Employment

200,233

Q2 2015: 197,533

Oakland Employment and Unemployment Rate 2000-2016



Wages

Alameda County Mean Annual Wage by Occupation (2016)

This table shows the mean annual wage by occupation in Alameda County. Most Oakland residents (72.5%) work outside Oakland. About half of working Oakland residents are employed in Alameda County (49%).

The average wage for all occupations in the County is \$62,947. More than half of all County jobs are in the five lowest wage categories: Transportation, Manufacturing, Healthcare Support, Personal Care and Food Prep.

Management Occupations	\$137,948
Healthcare Practitioners and Technical Occupations	\$107,567
Computer and Mathematical Occupations	\$106,684
Architecture and Engineering	\$99,116
Construction	\$64,937
Education & Library	\$61,448
Arts, Design, Entertainment, Sports, and Media	\$57,065
Installation, Maintenance, and Repair	\$56,888
Social Services	\$56,588
Transportation	\$44,254
Manufacturing	\$42,290
Healthcare Support	\$40,769
Personal Care and Service	\$29,246
Food Preparation and Serving	\$26,217

Fiscal Year End Revenue Review: FY2015-2016

	FY 2013-2014	FY 2014-2015	FY 2015-2016 *Unaudited	Change
Property Tax	\$ 141,064,663	\$ 157,797,345	\$ 156,000,000	-1%
Business License Revenue	\$ 62,095,126	\$ 66,800,800	\$ 74,796,335	12%
Sales Tax	\$ 46,956,000	\$ 48,827,000	\$ 44,727,117	-8%
Real Estate Transfer Tax	\$ 49,761,088	\$ 52,045,589	\$ 84,676,037	63%
Transient Occupancy Tax	\$ 14,302,522	\$ 21,570,624	\$ 23,863,345	11%

Fiscal Year 2015-2016 ended in June. The City of Oakland saw a substantial increase in this year's Real Estate Transfer Taxes as well as a continued increase in Transient Occupancy taxes. Sales taxes have declined primarily as a result of low fuel costs. Annual Business License revenues increased in part from the identification of undeclared rental properties.

Quarterly City Revenues: Calendar Year Q2



Sales Tax
\$11,620,100



**Real Estate
Transfer Tax**
\$22,370,845



**TOT Tax
(Hotels)**
\$8,476,788

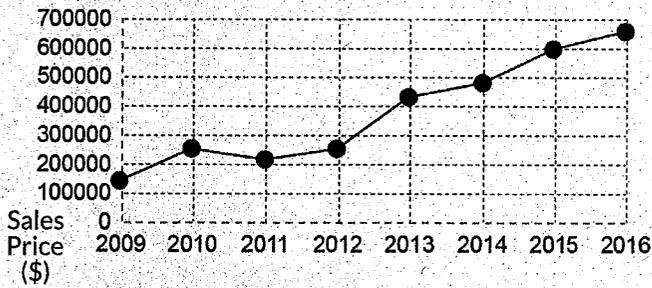
City Revenue Streams 2013-2016



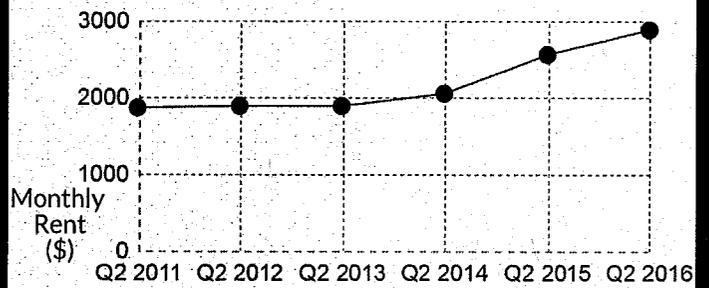
Revenues collected and reported every quarter include Sales Tax, Real Estate Transfer Tax, and Transient Occupancy Tax. Due to the time needed for state collection and analysis, sales tax reporting for this quarter reflects spending during the previous quarter (Q4 2015.)

Residential Real Estate

Median Single Family Home Price



Quarterly Rent Average



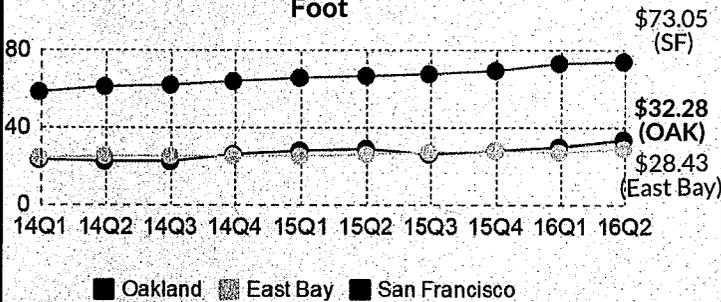
Commercial Real Estate

Industrial Vacancy: 2.8%
Rent/square foot: \$8
East Bay: 4.8%, \$10

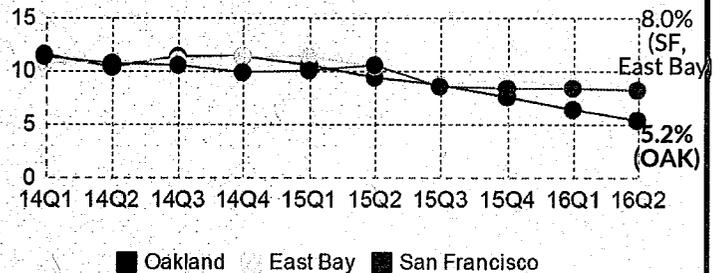
Office Vacancy: 5.2%
Rent/square foot: \$32.28
Downtown: 3.7%, \$43.76
East Bay: 8.4%, \$28.43

Retail Vacancy: 2.8%
Rent/square foot: \$23.75
East Bay: 3.6%, \$24.34

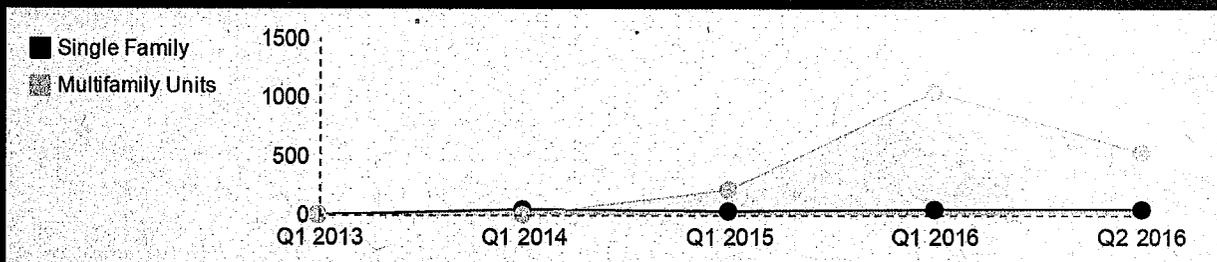
Office Average Rents/Square Foot



Office Vacancy Rates



Residential Building Permits



Development Pipeline (As of April 2016)



1,900 Units Under Construction
10,323 Units Approved
17,231 Units in Pipeline



695,591 Square Feet Under Construction
2,368,187 Square Feet Approved
3,388,495 Square Feet in Pipeline

Sources: HdL Companies, JLL, Zillow, CoStar Market Analytics, City of Oakland Planning & Building Department.
Dashboard Compiled by Economic and Workforce Development Department. Contact or Subscribe: mroya@oaklandnet.com