

# **AGENDA REPORT**

TO: Edward D. Reiskin FROM: Alexa Jeffress

City Administrator Director, Economic & Workforce Development

SUBJECT: Small Business Support DATE: June 13, 2022

Recommendations

City Administrator Approval Date: Jun 21, 2022

# **RECOMMENDATION**

Staff Recommends That The City Council Receive A Report And Recommendations From The City Administrator On Implementation Of The Recommendations From The 2017 Small Business Roundtable Task Force, Including An Update On What Actions Have Been Taken In Line With The Recommendations Regarding Small Business Support And Services; And An Update On The 2015 Resolution In Support Of Worker Cooperatives In The City Of Oakland

# **EXECUTIVE SUMMARY**

At the April 24, 2022 Rules and Legislation Committee, the Committee requested an informational report along with recommendations associated with small business support from: 1) 2017 Small Business Task Force; 2) 2015 Worker Cooperatives; and 3) the 2021 Economic Recovery Plan.

This informational report provides a summary of the three sets of recommendations from these efforts, shares updates on steps that the City of Oakland (City) has taken to implement these ideas and makes additional recommendations for how to support small businesses moving forward. A summary chart of the findings and recommendations of these reports can be found in **Appendix A**.

# BACKGROUND / LEGISLATIVE HISTORY

In conjunction with the Progressive and Equitable Business Tax measure proposal that is being recommended for the November 2022 Ballot, the City Council has requested to receive an informational report that summarizes the implementation of recommendations associated with

small business support from: 1) the 2017 Small Business Task Force 2) the 2015 Worker Cooperatives Resolution<sup>1</sup>; and 3) 2021 Economic Recovery Plan<sup>2</sup>.

Listed below is the summary of the three requested small business activities over the past seven years:

# 1) 2017 Small Business Task Force

In 2017, the City Council established a Small Business Task Force (Task Force). The 2017 Small Business Task Force was the first of this series of cross-sector, multi-agency business collaborations in Oakland. The Oakland Chamber of Commerce joined 13 business owners, City Councilmembers, and the Mayor's Office to meet in four Task Force meetings and multiple sub-committee meetings to discuss the issues affecting local and small businesses. Their findings and recommendations were reported to the Community and Economic Development (CED) Committee on April 11, 2017<sup>3</sup>;. The CED Committee continued the item, and it was not presented to City Council for formal action<sup>4</sup>.

The 2017 Small Business Task Force presented ten (10) short-term and long-term recommendations which are listed below:

- 1. Re-establish a Small Business Commission
- 2. Recharter, Revamp & Retool the Business Assistance Center
- 3. Small Business Data Collection, Analysis and Insight
- 4. Small Business Marketing Campaign
- 5. Improve Permitting Process for Small Businesses
- 6. Craft Public Safety Strategy for Small Businesses
- 7. Subsidies and Financial Support
- 8. Build Equity into City's Business Improvement District (BID) Strategy
- 9. Commercial Rent Planning & Stabilization
- 10. Workforce Development Programs

While the City Council did not take formal actions on the Task Force recommendations, the recommendations were generally captured and woven into: the City Council adopted 2018-2021 Economic Development Strategy, 5 which included a report out of implementation activities; the Economic Recovery Plan and additional recommendations, which are discussed below, Specific highlights of ongoing City activities are discussed under the Policy Alternatives section of this report.

# 2) Resolution to Support Cooperatives

https://oakland.legistar.com/LegislationDetail.aspx?ID=2392277&GUID=5CD0A79C-4386-48FA-B5C5-F163EA101C7E

<sup>&</sup>lt;sup>2</sup> https://cao-94612.s3.amazonaws.com/documents/Economic-Recovery-Plan\_FINAL.pdf

<sup>&</sup>lt;sup>3</sup> https://oakland.legistar.com/MeetingDetail.aspx?ID=543395&GUID=23360046-A4AE-442C-8ECE-A032E5FDF68D&Search=

 $<sup>\</sup>frac{4 \text{ https://oakland.legistar.com/LegislationDetail.aspx?ID=3011199\&GUID=F7E9A370-752C-49B9-8621-7A0E586123AC\&Options=\&Search=}{}$ 

<sup>5</sup>https://www.oaklandca.gov/projects/economic-development-strategy

On September 08, 2015, the City Council approved a resolution supporting the development and growth of worker cooperatives<sup>6</sup>.

As referenced in the Council Resolution, the Business Assistance Center provided referral services and collaborated with organizations supporting the development and formation of worker cooperatives. The Economic & Workforce Development Department (EWDD) continues to provide referral services to Project Equity<sup>7</sup> for business ventures who are interested in formation of a worker cooperative.

# 3) Economic Recovery Plan

Building on the foundation established by the work of the Oakland Economic Recovery Advisory Council (OERAC)<sup>8</sup> and the COVID-19 Racial Disparities Task Force<sup>9</sup>, EWDD developed the 2021-2022 Economic Recovery Plan. The Economic Recovery Plan is meant to serve as a blueprint for achieving short-term goals to create a more equitable and inclusive economy.

The Economic Recovery Plan was distributed to City Council on September 15, 2021<sup>10</sup> and identified 5 core areas of recovery focus which are:

- 1. Priority 1: Financial Readiness and Stability Equitable Small Business Support Connecting small Oakland businesses to ongoing federal, state, and local recovery funding sources, focusing on Black, indigenous and people of color (BIPOC)-owned businesses who had the greatest barriers to successful applications.
- 2. Priority 2: Equity in Contracting and Grant Making Integrating vendor assistance and supporting the interdepartmental City effort to increase racial and gender equity in local business contracting and grantmaking.
- 3. Priority 3: Social Cohesion--Youth Engagement and the Creative Economy Investing in social cohesion through Cultural Affairs programming such as the Neighborhood Voices grant program and strengthening the creative economy.
- 4. Priority 4: Growing Demand and Investment Growing local demand, developing targeted business attraction strategies and positioning Oakland for industrial innovation and investment.
- 5. Priority 5: Workforce Development Increasing the number of adults and youth in Oakland's Workforce Development Board and citywide job training programs, continuing to target ZIP codes with the highest unemployment rates.

Oakland's focus on small and local businesses over the years enabled an immediate response to the COVID-19 Pandemic. Since March of 2020, EWDD staff have supported nearly 3,600 workers, small businesses, vendors, artists, and non-profit organizations suffering economic hardship due to the COVID-19 pandemic with grants, protective equipment, technical assistance, and other support programs.

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<sup>&</sup>lt;u>6 https://oakland.legistar.com/View.ashx?M=F&ID=4017326&GUID=93C248E2-B52E-4EB0-B410-3BEA197AD1BA</u>

<sup>&</sup>lt;sup>7</sup> https://project-equity.org/

<sup>8</sup> https://cao-94612.s3.amazonaws.com/documents/Final-ERAC-Report\_feb26-web-small\_2021-02-26-213536.pdf

<sup>9</sup> https://www.oaklandca.gov/news/2020/local-leaders-announce-covid-19-racial-disparities-task-force

<sup>10</sup> https://cao-94612.s3.amazonaws.com/documents/Info-Memo-Economic-Recovery-Plan-2021-22.pdf

The Economic Recovery Plan expands on the 2017 Task Force and suggestions for improving regulatory services and increasing cohesion. Specific highlights of ongoing City activities that tie into Recovery Plan recommendations are discussed under the "Analysis and Policy Alternatives" section below. These recommendations advance the Citywide priority of **housing**, **economic and cultural security.** 

# **ANALYSIS AND POLICY ALTERNATIVES**

Small business support recommendations over the past seven years have highlighted areas of business concern, which include but are not limited to: public safety, illegal dumping/public space cleanliness, homeless encampments, City permitting, land/rent costs, attracting and retaining qualified employees. Recently, in April 2022, the Oakland Metropolitan Chamber of Commerce relaunched the Oakland Small Business Council, which included data gathered through a survey from Oakland small businesses and highlighted many similar focus areas, including the need for enhanced website support and business technology, marketing, workforce and staffing issues, public safety and access to capital <sup>11</sup>. Business and workforce support programs are necessary to keep Oakland's economic vibrancy and employment opportunities for Oakland residents.

The following discussion highlights a number of City programs and activities that have been undertaken to address the issues raised by the business community and outlined above.

1. Recharter, Revamp & Retool the Business Assistance Center

EWDD's Business Development Division launched the Remote Business Assistance Center pilot in September 2021, now called the Neighborhood Business Assistance program <sup>12</sup>. A key service of the Neighborhood Business Assistance program is to bring City business services to the community such as assistance with permitting. Since September 2021, City staff have held free, thirty-minute one-on-one appointments for entrepreneurs and business owners at the following five neighborhood libraries, which were selected based on suitability of available City facilities, anticipated interest within the business community and equitable access for previously under-served neighborhoods.

- West Oakland
- 81st Avenue
- César E. Chávez
- Golden Gate
- Eastmont

In January 2022, a 6<sup>th</sup> location in the Dalziel Building in Downtown Oakland was added and has proven to be among the top-serving locations.

In 2021, survey respondents in the Neighborhood Business Assistance program identified as 80% African American, 60% female, and 90% Oakland residents. Demographics gathered through the survey demonstrate that the program is reaching entrepreneurs and business owners who identify as BIPOC and women. By making appointments available in the neighborhoods, we can deliver services in historically underinvested areas of East Oakland and

<sup>11</sup> https://www.oaklandchamber.com/wp-content/uploads/2022/05/Oakland-Chamber-Small-Business-Council-Re-Launch-.pptx-1.pdf

<sup>12</sup> https://cao-94612.s3.amazonaws.com/documents/Neighborhood-Business-Assistance-Program-Update.pdf

West Oakland and address digital barriers by offering in person rather than virtual support. Through staff and partnerships with business support organizations, the City has been able to offer in- person assistance in English, Spanish, and Vietnamese. Assistance in other languages is provided using the City's over-the-phone interpretation service.

Interested businesses can visit: www.oaklandca.gov/bizhelp to schedule a free appointment,

# 2. Data Collection, Analysis, and Insight

Recommendations from the OERAC restated the need for small business data, updating the focus of the 2017 Task Force. Recommendation 4.5 specifically said "Government should invest resources in gathering real time qualitative and quantitative race and ethnicity data related to this crisis and use the Racial Equity Analysis methodology to center those who are most impacted to effectively target recovery policies." The OERAC also specified the need for "focused, ongoing and participatory research to assess the immediate survival needs of businesses, their post-crisis stabilization, and the impact of new programs on their revenues."

In developing the Economic Recovery Plan, City staff engaged the business community through one-on-one conversations and an online survey during the first and second quarters of 2021, which received more than 1,100 responses. In addition to the OERAC, ten business service organizations, including Oakland's multicultural chambers of commerce and Visit Oakland, 48 small businesses (72 percent owned by people of color and 64 percent women-owned) and three community service organizations across the city (East, Downtown, and West Oakland) contributed their ideas for the Plan. Despite outreach by staff and partners, many business owners reported a lack of contact and support.

In 2021, the Department of Revenue included a question on the Business License Renewal form requesting race and gender data of the business owner. An estimated 30-40% of businesses owners provided an answer. EWDD is working with the Department of Revenue to improve data collection methods including exploring models for partnering with on-the-ground BIPOC business associations to increase the response to the demography question. This work also includes identifying the data to map local business corridors, businesses, employers and representatives in majority Black and Brown neighborhoods.

# 3. Marketing Campaign

Between May 1, 2021 to April 30, 2022, the Think Oakland First marketing campaign has encouraged residents to shop locally and help Oakland's economy recover. The campaign included focused social media placements in late Spring. Staff secured Visit Oakland as the sponsor for the first-ever holiday window decorating contest for merchants. About 2 dozen merchants from across Oakland participated and nearly 700 votes were cast. Holiday season marketing placements generated 206,000 social media impressions, 1 million digital ad impressions, 23 million outdoor impressions and 827,000 print impressions as well as generated \$48,000 in earned media placements.

A key success was the adoption of #ThinkOaklandFirst by multiple partners, including BIDs. In support of Visit Oakland's Restaurant Week, staff secured outdoor billboard placements that provided more than 12 million impressions for the 10 day-long promotion supporting the restaurant industry. In the spring, EWDD brought together Community Kitchens and the Metro Chamber for the Town Love social media campaign to introduce the Dining for Justice program in time for Valentine's Day.

# 4. Improve the Permitting Process

Early this year, the Planning and Building Department (PBD) opened online permits to residents and businesses at <a href="https://www.oaklandca.gov/services/online-permit-center">https://www.oaklandca.gov/services/online-permit-center</a>. Mechanical, electrical, and plumbing applications, solar installations, zoning clearances, re-roofing permits and several others are available online. In November 2021, PBD launched two new record types that allow applicants to apply for nearly all other project categories. The new online permitting system will improve efficiency, since staff will no longer have to transcribe information from applicant submittals, and increase transparency, as the applicant will receive a record number that can be used to track the project. Furthermore, having information recorded directly allows PBD staff to utilize the software's workflow and reporting functionalities to more quickly assess issues with permit processing.

In August, PBD rolled-out the first round of "project landing pages" to assist applicants with their projects at <a href="https://www.oaklandca.gov/services/get-started-on-your-project">https://www.oaklandca.gov/services/get-started-on-your-project</a>. The goal is to have landing pages for common project types that will enable an applicant to see all of the requirements for a given project and to be able to move from that page to either submitting their application directly in Accela, or to create an appointment with PBD staff using Qmatic, the customer queuing and management platform, as appropriate.

In addition to the project landing pages, PBD recently created an Americans with Disabilities Act (ADA) page to provide greater visibility into ADA requirements under the Building Code at <a href="https://www.oaklandca.gov/topics/americans-with-disabilities-act-ada-compliance">https://www.oaklandca.gov/topics/americans-with-disabilities-act-ada-compliance</a>.

# 5. Public Safety Strategy

City staff launched the Neighborhood Enhanced Service Teams (NEST) program to focus interdepartmental services on Police Beats with high levels of gun violence. In 2021, staff engaged 700 residents through in-person conversations, and about 2,500 other homes received a packet with information about City services from various City departments, including workforce and business resources. At the direction of the City Council, staff also created an Abandoned Auto Task Force to develop and implement recommendations for reducing the number of abandoned autos on the streets of Oakland.

In addition, multiple departments are currently collaborating on commercial corridor pilot project focused on blight elimination (illegal dumping, abandoned vehicles, graffiti removal, public market activation, private commercial building investment) in West Oakland off Peralta Street.

Lastly, following Council direction in Resolution No. 88717 C.M.S., as amended and adopted on June 24, 2021, staff is supporting development of an equipment grant for security camaras in District 6 and District 7 which is currently under review by the Privacy Advisory Commission.

# 6. Subsidies and Financial Support

In response to the economic crisis caused by the COVID-19 pandemic, in 2020, following direction from City Council, EWDD administered a number of Coronavirus Aid, Relief and Economic Security (CARES) Act-funded grant and other programs to support individuals, businesses, and organizations at risk of displacement. More than 2,200 individuals, businesses,

and organizations at risk of displacement received nearly \$17.5 million in emergency funds through City CARES Act-funded grant programs.<sup>13</sup>

In July 2020, EWDD received \$550,000 from the U.S. Department of Commerce's Economic Development Administration (EDA) to recapitalize the City's Revolving Loan Fund (RLF). This funding directly addresses the OERAC's Recommendation 4.5 to recognize "the structural barriers to capital for Black-owned and other POC owned businesses and design programs to address them." The City has partnered with the Feed the Hunger Fund to offer loans up to \$100,000 at low- and no-interest to Oakland's small business community.

Recently, on June 7, 2022, the City Council authorized staff to amend the Façade and Tenant Improvement Program (FIP/TIP) to facilitate equitable access to available funding for small businesses and property owners to make improvements to their commercial storefronts.

# 7. Building Equity into the City's BID Strategy

City Council authorized \$175,000 in the FY 2021-2023 biennial budget to provide support for BID formation in Council Districts 4, 6, and 7. EWDD is currently interviewing BID consultants to provide advice and guidance for all stages of merchant organizing along key commercial corridors in these districts. The Request for Proposals (RFP) was advertised in Spring 2022; a consultant will be selected who has competency in providing technical assistance to BIDs and organizing strategy to business associations and corridor champions.

# 8. Commercial Rent Planning & Stabilization

In partnership with the Lawyers' Committee for Civil Rights of the San Francisco Bay Area (LCCR), the City provided commercial lease negotiation assistance to small business owners since 2020. Lease negotiation webinar recordings and the presentation slides are available in multiple languages. Free one-on-one consultations on commercial leases are offered through LCCR's Legal Services for Entrepreneurs program.<sup>14</sup>

# 9. Workforce Development Programs

During the COVID-19 pandemic, EWDD's Workforce Development Division delivered services online. The Division conducted three virtual jobs fairs, operated "Rapid Response" services online for laid off workers, and launched Metrix, a new free online job training platform in multiple languages with CARES Act Funds<sup>15</sup>. Unemployed and underemployed Oakland residents can also access the City's network of America's Job Center of California (AJCC), supported by federal Workforce Innovation and Opportunity Act (WIOA) funds, and youth aged 16-21 interested in summer employment can access paid work experience. Visit https://oaklandca.gov/wdb.

With additional funding from City Council in the recently adopted budget, Workforce staff is working to increase the number of adult jobseekers trained through Oakland Workforce Development Board-funded training programs and supporting job training and placement in fast-growing industries including Healthcare, Construction, IT, and Hospitality, consistent with the

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<sup>&</sup>lt;sup>13</sup> City of Oakland Overview of CARES Act Expenditures, <a href="https://cao-94612.s3.amazonaws.com/documents/21-0402-CARES-Act-Info-Memo-with-attachments">https://cao-94612.s3.amazonaws.com/documents/21-0402-CARES-Act-Info-Memo-with-attachments</a> 2021-04-03-004652.pdf

<sup>14</sup> https://lccrsf.org/get-assistance/legal-services-for-entrepreneurs/

<sup>15</sup> https://www.oaklandca.gov/resources/free-online-courses-help-you-prepare-to-get-back-to-work

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current Local Workforce Development Plan<sup>16</sup>. EWDD also hired an Executive FUSE Fellow for fiscal year (FY) 2021-2022 to complete an asset mapping and evaluation of all city-wide adult and youth employment programming to align strategies and identify opportunities.

#### 10. Equity in Contracting

EWDD is supporting the interdepartmental effort, led by the City Administrator's Office and Department of Workplace and Employment Standards<sup>17</sup> to increase access for local BIPOC and women-owned businesses and nonprofits to participate in government contracts. With funding support authorized by City Council, in 2021 the City has launched a one-year construction contractor support program in partnership with Oakland based Construction Resource Center for technical assistance and mentorship program. In addition, with funding support from a federal EDA grant, an additional contractor support program will be launching shortly with support services provided by Merriweather & Williams Insurance Services.

# ADDITIONAL RECOMMENDATIONS

The following recommendations represent initial thoughts on how to expand on the the various recommendations as outlined above.

#### 1. Re-establish a Small Business Commission

If dedicated revenue is established for business support programs associated with the proposed equitable tax measure, establishment of an advisory body providing input on funding program design, intent, eligibility, and equity criteria, could support program transparency and implementation. It is estimated that 0.25 full time equivalent (FTE) staffing would be needed to support a new commission.

# 2. Expand the Business Assistance Center to Add Bilingual Capacity

As outlined above, the Business Assistance Center has been modified and rebranded as the Neighborhood Business Assistance program and provides services in multiple neighborhoods throughout Oakland. It currently serves as the primary small business support program and has limited staffing. Additional staffing resources with language and cultural capacity would enhance this program to provide broader business engagement and technical support. An expanded program would have staffed language capacity in Cantonese, Spanish, and Vietnamese with potential future support in Farsi and Korean given our growing business communities. To expand the business support offerings, this program would need one (1) additional FTE bilingual Urban Economic Analyst II.

#### 3. Expand Business Data Collection with Funding for Community Partners

Robust business baseline data collection is a necessary part of the City's overall performance management, equitable program design and implementation. As stated above, EWDD is working with the Department of Revenue to gather business demographic data through the business license renewal process. Voluntary data collection has resulted in an estimated 30-40

<sup>16</sup> https://www.oaklandca.gov/topics/2021-24-local-plan

<sup>17</sup> https://oakland.legistar.com/LegislationDetail.aspx?ID=4687703&GUID=801D3210-5843-4408-9046-511339A501CF&Options=&Search=

percent response rate from licensed businesses. It is anticipated that City staff will need to partner with ethnic chambers and business support organizations to gather more complete demographic information about our business community. In addition, a data scientist position would support ongoing data collection and analytics for business data intelligence. Estimated resource for this expanded effort is one (1) FTE Data Analyst II/III and \$150,000 for stipends to community partners to assist with gathering data.

# 4. Marketing Campaign

A new position dedicated to implementing a robust marketing strategy and additional funding would build on the successful launch of Think Oakland First and respond to businesses call for marketing support, as the current staff member's focus is divided between public information, business support and marketing tasks. Additional funding could be used to engage a consultant to work with marketing partners such as Visit Oakland, the chambers of commerce and BIDs to develop a cohesive, year-round consumer-focused marketing campaign to reflect Oakland's diverse commercial districts. Staffing and resources would include one (1) FTE Marketing Program Coordinator for citywide coordination and \$500,000 for an annual marketing contract.

# 5. Permitting Navigation Support

EWDD staff have been working to establish a pilot Business Ombudsman Program in partnership with Planning and Building Department (PBD), the Oakland Fire Department (OFD), the Oakland Public Works (OPW), and OakDOT to help businesses with permit navigation and issue resolution. This targeted customer service enhancement program would work cross departmentally in conjunction with the re-imagining the permit center effort. To advance this program, EWDD would establish a one (1) FTE shared position with PBD at the Planner II/III or Urban Economic Analyst II/III position level. An interim solution would be to re-establish the previously designed Open Counter software application at an estimated cost of \$70,000 until the launch of the new zoning tool in Accela.

# 6. Craft Public Safety Strategy for Small Businesses/Increase Subsidies and Financial Support

To support public safety strategies for small business, staff should continue to pilot the commercial NEST program with cross-departmental impact teams. Staff will track and monitor costs associated with teams and establish cost structure for implementation of key commercial areas. To expand this program, staff would develop a grant funding program in conjunction with the Crime Prevention Through Environmental Design (CPTED) Program. This initiative could start with a \$500,000 CPTED Grant Pool, that could be added as enhanced funding to the recently modified FIP/TIP program.

Another expansion program would be to establish program design for a pilot pop-up program to enhance vacant spaces for commercial entrepreneurship, with \$250,000 in initial funding for a Pop-Up Project pilot.

# 7. Expand Support for Merchant Organizing and BID Development

Finally, staff should expand their efforts to support the BID program, focus on early-stage commercial corridor merchant organizing and provide technical support through enhanced business communication of local, regional, and state programs along with scheduled business informational sessions to share business data, regulations, and best practices. By unfreezing an existing Urban Economic Analyst IV position in EWD, this individual could provide additional

support to current staff and assist with the creation of a new Small Business Commission, as discussed in item 1 above.

# **FISCAL IMPACT**

There is no direct fiscal impact associated with the Council accepting the informational report.

# PUBLIC OUTREACH / INTEREST

The most recent small business consultation process, the Economic Recovery Plan, gathered information from 1,100 Oakland businesses through surveys during the pandemic, and the convening of the Oakland Economic Recovery Advisory Council. In addition to the surveys, 10 business service organizations, including Oakland's multicultural chambers of commerce and Visit Oakland, 48 small businesses (72 percent owned by people of color and 64 percent women-owned) and three community service organizations across the city (East, Downtown, and West Oakland) contributed their ideas for the Economic Recovery Plan.

# **COORDINATION**

In addition to EWDD, information for this report was provided by the Planning and Building Department, Finance Department, and the City Administrator's Office.

#### SUSTAINABLE OPPORTUNITIES

**Economic:** The implementation of the 2017 Task Force and those of the Economic Recovery Plan will promote equitable economic development in Oakland and work to support existing Oakland small businesses by connecting them to ongoing funding sources and support programs, making government contracting and grantmaking more equitable, investing in social cohesion, growing demand for goods and services offered in Oakland, attracting new businesses that create good jobs and nurturing Oakland startups.

**Environmental**: Encouraging local employment, business ownership and local spending can reduce vehicular emissions. Increasing local retail sales and investment through building purchases will also generate additional sales tax and real estate transfer tax to support the City's Equitable Climate Action Plan (ECAP).

Race & Equity: The COVID-19 pandemic had a profound impact on Oakland's economy, and the impacts fell heavily on BIPOC communities and on women, worsening existing disparities. The overall goal of EWDD programs continue the focus of the Economic Recovery Plan-- a more equitable and inclusive economy that works for all Oaklanders, with an emphasis on closing race and gender disparities and helping BIPOC- and women-owned small businesses and lower-wage workers recover from the pandemic.

# **ACTION REQUESTED OF THE CITY COUNCIL**

Staff Recommends That The City Council Receive A Report And Recommendations From The City Administrator On Implementation Of The Recommendations From The 2017 Small Business Roundtable Task Force, Including An Update On What Actions Have Been Taken In Line With The Recommendations Regarding Small Business Support And Services; And An Update On The 2015 Resolution In Support Of Worker Cooperatives In The City Of Oakland.

For questions regarding this report, please contact Shawnee Keck, Urban Economic Analyst III at skeck@oaklandca.gov or (510) 238-5566.

Respectfully submitted,

ALEXA JEFFRESS

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Attachments:

A: Appendix A Small Business Support Recommendations 2015-2021

# Appendix A Small Business Support Recommendations 2015-2021

2017 Small Business Task Force	Economic Development Strategy 2018-2021	Oakland Economic Recovery Advisory Council 2021	Economic Re	Economic Recovery Plan 2021
Financial and Technical Support to Businesses	ort to Businesses			
R1 Focus on ongoing full- lifecycle support for the existing small business	Support female tech entrepreneurs	R1.2 Provide financial support to small business recovery, particularly	1. Financial Readiness and Stability –	Support small businesses in getting capital-ready to shrink
community	Expand support programs which	BIPOC businesses.	Equitable Small Business Support	racial and geographic gaps
Connect established business owners with	help female entrepreneurs and			in access to stimulus, grant funding and
newer/prospective	entrepreneurs of color to			other financing.
entrepreneurs in structured mentorships	otner sectors and entrepreneurs of			
	color			
	Strengthen business networks for			
	people of color			
	Encourage low-income			
	residents to narticinate in hanking and			
	financial			
Logisto C 0400000	empowerment Point among a business			بائرون ادار مام دخان ماء
Directory of Small Business	cusport condition in low	r4.2 Expand equity		the City should work
Support Service This will	income	industry efforts to reduce		flow to BIPOC and
serve as a tool to help	neighborhoods	disparities		women-owned small
communicate to partners				businesses and build
where overlap and gaps				their support
exist, and provide				networks

2017 Small Business Task Force	Economic Development Strategy 2018-2021	Oakland Economic Recovery Advisory Council 2021	Economic Re	Economic Recovery Plan 2021
guidance about how they might meet small/local business needs more effectively Have/maintain a directory of partners working in Oakland to help serve small businesses, including detailed information about services offered by each o Develop a roadmap for small business educate small business entrepreneurs about these processes o Perform warm handoffs to City departments or thirdparty organizations for small/local business customers O Push information to customers, leveraging existing channels and/or creating new methods where gaps exist				Partner with CDFIs, Business Service Organizations (BSOs) and community-based organizations to build awareness and provide pre-application technical assistance to BIPOC and women-owned small businesses to apply for specific Federal/ State/Local incentive programs
R6: Subsidies and Financial Support Evaluate direct subsidies:	Investigate new funding sources	Prevent predatory operations that exploit financially	Grow Oakland's Revolving Loan	Bridge loans – low- or no-interest loans until

2017 Small Business Task Force	Economic Development Strategy 2018-2021	Oakland Economic Recovery Advisory Council 2021	Economic Re	Economic Recovery Plan 2021
o Business Tax rebates o Sales Tax rebates o Enterprise Zone-like credits o Facade and Tenant Improvement grants olnfrastructure/Commercial Stock modernization, retrofit grants	and policy tools to spur land and property development Pilot new funding models for public safety and public realm improvements	vulnerable business operators and property owners	Fund to \$5M to offer:	longer-term loans come through  Emergency microloans >\$10K Forgivable loans > \$5K Low-interest loans for growing enterprises, focus on women and BIPOC owners
<b>Business Assistance Center</b>				
BAC should be a 'help-desk' for small/local business, o Be the first call made by small/local businesses when facing a question or problem o Maintain a record of all contacts by small/local business customers throughout business lifecycle o Continuously improve our understanding of small/local business needs, o Perform warm handoffs to City departments or thirdparty organizations for small/local business customers	Business Assistance Centers re-positioned as a first call contact			Pilot remote Business Assistance Centers to serve more businesses in the flatlands and grow trust in City business services.

2017 Small Business Task Force	Economic Development Strategy 2018-2021	Oakland Economic Recovery Advisory Council 2021	Economic Recovery Plan 2021
o Identify common bottlenecks within internal City processes o Assess performance of			
information available to those partners and the public o Advocate within the City bureaucracy for the needs of their small/local business customers o Hold rotating office hours in all Oakland districts - identify centrally-located businesses or organizations			
businesses or organizations in each district which could donate space for this use o Physical location of the Business Assistance Center should be inviting for small business customers (an office with racks of pamphlets does not meet this qualification) o Small/local business website and other tools should emphasize selfservice capability wherever possible			

2017 Small Business Task Force	Economic Development Strategy 2018-2021	Oakland Economic Recovery Advisory Council 2021	Economic Re	Economic Recovery Plan 2021
Assistance with City Services				
R5: Provide support for small/local business customers to help navigate permitting processes  O Record all requests for information and support by small/local businesses used to improve staff organization and process  O Create a formalized aging and escalation process to be used when permits fall into an exception state	Review and streamline policies and processes for all business-government interfaces  Review the real estate development permitting process with recommendations to reduce costs and delays  All processes are streamlined Issue planning and building permits		Support businesses through the permitting process.	
o Assign one or more escalation caseworkers who are able to navigate the various departments and requirements, to ensure o Prompt and clear communication to customer o Clear timelines for completion of key tasks on the part of both parties (customer and city staff)  o Advocacy for the small/local business customer at all levels	more quickly 65% or all planning and building permits are issued within one day Provide business information digitally  A multi-lingual portal, which contains all permitting, licensing and business services information, is published			

2017 Small Business Task Force	Economic Development Strategy 2018-2021	Oakland Economic Recovery Advisory Council 2021	Economic Recovery Plan 2021
o Assistance with identifying crossdepartmental or third-party solutions, facilitating reasonable exceptions, and bringing together required personnel for approval o Ensure adequate staffing in the various departments responsible for granting permits o Consolidate permit process where applicable o Provide for increased selfservice by applicants o Measure performance of third party service  Advocate within the City bureaucracy for the needs of their small/local business customers  Help business faced with compliance into compliance	Improve business satisfaction rates with City support and services  Business satisfaction with City assistance and services is 90%		
(create/assign iunumg 101 this)			
R2 Develop a roadmap for small businesses to help			

2017 Small Business Task Force	Economic Development Strategy 2018-2021	Oakland Economic Recovery Advisory Council 2021	Economic Re	Economic Recovery Plan 2021
educate small business entrepreneurs about these processes  o Perform warm handoffs to City departments or third-party organizations for small/local business customers working in Oakland to help serve small businesses, including detailed information about services offered by each				
Identify and Support BIPOC Owned	vned Businesses			
R2 Use existing data about small businesses (from Business License and other sources) to help build a customer directory and target outreach to improve customer awareness		R 4.2 Gather data and conduct racial impact analysis to name disparities in industry sectors  4.5 Support ongoing participatory research on the needs of black-owned businesses. Support research on the needs of Black, Indigenous and other POC-owned businesses owners during and post-COVID	Incorporate social cohesion as an economic development strategic goal with clearly defined outcomes and metrics.	Continue to work with the Revenue Department to gather disaggregated race and gender demographic business license data and track revenue increases for Oakland's BIPOC and women-owned businesses.

2017 Small Business Task Force	Economic Development Strategy 2018-2021	Oakland Economic Recovery Advisory Council 2021	Economic Re	Economic Recovery Plan 2021
		Commit resources to gathering the quantitative and qualitative data needed to center equity and target resources effectively Recognize the structural barriers to capital for Black owned and other POC-owned businesses and design programs to address them		
<b>Contracting and Procurement</b>				
		Foster business partnerships to boost the recovery of BIPOC-owned businesses through purchasing contracts and equity investments Waive or defer other business fees such as ABC liquor license fees	R2 Equity in Contracting and Grant Making Develop targets to close disparities in grants and contracting throughout City government and continue to evaluate departmental processes to	Support the interdepartmental effort to increase access for local BIPOC and women owned businesses and nonprofits to participate in government contracts. Deploy U.S. Economic Development Administration (EDA)

2017 Small Business Task	<b>Economic Development</b>	Oakland Economic	Economic Re	Economic Recovery Plan 2021
Force	Strategy 2018-2021	Recovery Advisory Council 2021		
		4.3 Close the digital divide for businesses and	remove barriers for small/ local	grant and the Councildirected
		workers. Build on the successes of	BIPOC and women-owned	Construction Resource Center (CRC) Grant to
		#OaklandUndivided and	businesses.	provide training for
		#OakWIFI by raising funds to close the digital divide		60-70 local
		for		a two-year period.
		workers and small		Track outcomes.
		businesses Identify		Work with the IT
		workers who lack an		identify funding for
		online presence/ internet		and develop a public
		access and connect them		directory of local
		to		businesses that is
		resources		compatible with
				iSupplier.
				Partner with DWES to
				provide technical
				assistance for
				Minority Business
				Enterprises/Woman
				<b>Business Enterprises</b>
				(MBEs/WBEs) to
				become certified.
				Bring a
				recommendation for
				program changes to
				city coalicil by I all

Economic Recovery Plan 2021	2021 to the Façade and Tenant Improvement grant program to remove access barriers and close racial disparities.		Expand the	Neighborhood Voices	grant program to	support arts and	culture through 2022.		Encourage and track	applications from	specific ZIP Codes	which rank high in	Oakland's Community	Stressors Index.	Develop a creative	economy business	focus by identifying	and formalizing a	partnership with	one intermediary arts	organization to	provide business	support for cultural	organizations.	
Economic R			R3 Engage BIPOC	youth and	cultural arts	voices in	recovery	planning	and strengthen	internal and	external	partnerships to	increase social	cohesion and	community	resilience.									
Oakland Economic Recovery Advisory Council 2021			R1.3 Sustain Oakland's	artist and cultural	organizations.		Explore flexibility in	permit and public safety	fees for	cultural organizations to	reopen using outdoor	space	safely		4.1 Increase space	available for businesses	and cultural activities.		Consider a temporary use	category in the City	Planning	Code to allow ongoing	flexibility and prevent	long-term vacant	storefronts
Economic Development Strategy 2018-2021		ies	Create a program to	encourage	the tenanting and re-use of	vacant properties		Publish a portfolio asset	management plan		Develop a Cultural Arts plan		Support arts and culture	organizations to stay and	grow in Oakland										
2017 Small Business Task Force		Support for Creative Businesses	Review cabaret and other	assembly use permitting	requirements, also evaluate	other arts and	entertainment uses which	could be located outside	retail districts																

2017 Small Business Task Force	Economic Development Strategy 2018-2021	Oakland Economic Recovery Advisory Council 2021	Economic Recovery Plan 2021	ry Plan 2021
		Align with the State's home-based kitchen laws	Supp and and com	Support the expansion and development of community markets that provide
		and work with local food vendors to legalize operations	oppo veno artis	opportunities for vendors, artisans, artists, and makers.
			Supp	Support three new community markets and develop
			infra addi	infrastructure to grow additional spaces.
			Strea even enco yout	Streamline the special events process to encourage more arts, youth and other
			culturement   culturement   BIPO	cultural events and remove barriers for BIPOC-led groups.
			Wor Plan Depa	Work with the Planning & Building Department (PBD) to develon standard
			oper proc enha	operating procedures and enhanced tools to help businesses

	Stidlegy 2010-2021	Council 2021		
				navigate the permit process.
<b>Investment and Marketing Support</b>	pport			
R4: Engage in broad Marketing/PR strategy on behalf of small/local business				
o Council Members' newsletters should be	Develop propositions for business		R4 : Growing Demand and	Run an expanded "Think Oakland First"
campaign to	and investment attraction		Investment	year-round marketing
	Compelling propositions are		Execute an	campaign to
'n,	published and communicated		expanded city-	encourage
event publicity, calling attention to media	target businesses and		wide silop local marketing	consumers to snop locally.
components of the	investors		campaign to	<ul> <li>Develop a business</li> </ul>
campaign, etc.	EWD-BD		encourage	attraction proposal to
	Redesign economic		consumers to	attract, grow, and
	development		spend their	stabilize core
	website		dollars locally.	businesses in
			Develop a	targeted locations.
			business	<ul> <li>Position Oakland for</li> </ul>
			attraction	industrial innovation
			strategy focused	and expanded local
			on industrial	manufacturing.
			lands.	Improve

2017 Small Business Task Force	Economic Development Strategy 2018-2021	Oakland Economic Recovery Advisory Council 2021	Economic Re	Economic Recovery Plan 2021
				occupancy of vacant industrial sites by 10% over one year.
Small Business Organizing				
R1: Charter Small Business	Encourage the creation of		Streamline and	
Commission	additional		clarify the BID	
Identify communications	business improvement		creation and	
strategies which ensure that	districts		renewal process	
our small/local businesses			and	
are both			support the new	
heard by and hear from us			BIDs and	
o Partner with Visit			merchant	
Oakland, Oakland BID			organizations in	
Alliance, and other external			the flatlands.	
agencies where			Assess the	
appropriate			feasibility of a	
Ensure that all City policies,			cannabis BID or	
contracts and procedures			partnership	
consider the impact on the			organization.	
small			Attract new	
business community and			firms to	
local economy			Oakland's	
o Spearhead the			industrial areas	
development of a			and increase the	
comprehensive small			number of good	
business strategy, including			jobs for local	
clear			residents by	
definitions of small and/or			250 by 2025.	
local business for the				
purposes of this strategy				

2017 Small Business Task Force	Economic Development Strategy 2018-2021	Oakland Economic Recovery Advisory Council 2021	Economic Recovery Plan 2021
Assess whether BID structure can be adjusted to better represent the needs of the small/local business community o Perform direct outreach to the small/local business community, leveraging existing channels and/or creating new methods where gaps exist			
Create, evolve, or reinforce partnerships which can meet the needs of our small/local business community			
Create ongoing relationships with existing merchant associations and other groups within each district o Facilitate communication between merchant groups and other associations through hosting events or attending meetings or events where these groups already meet o Respond to requests from small business organizations			

2017 Small Business Task Force	Economic Development Strategy 2018-2021	Oakland Economic Recovery Advisory Council 2021	Economic Re	Economic Recovery Plan 2021
(trade groups, local merchant associations, etc.) to attend their gatherings to make relationships, collect and provide information				
Workforce				
Many small/local employers	Help local businesses to hire	Invest in gathering racial	Upskill and reskill	Expand Year-Round
various workforce	וסכמו נו מווובבי	dispailly data by sector.	workers who	Employment Program,
development and training	Oakland businesses are	Each industry should	have been	continuing to
programs, but success	supported to hire local	address the racial	displaced or are	prioritize Black, Latinx,
(employee retention) rates	residents with 60% of	disparities in its	at high risk of	Native American, and
are low	businesses repeating	workforce and work with	displacement to	Pacific Islander youth
	participation.	the City to remedy, rehire	reduce racial	residing in East
<ul> <li>Clients of these programs</li> </ul>		and train workers to	disparities in	Oakland, Fruitvale,
often require a higher level	additional residents are	equal employment.	unemployment.	and West Oakland.
of supervision, which	employed in local businesses		Provide	
requires that businesses		Coordinate with cities on	expanded	Include new
have strong	Provide job training for	recovery planning that	opportunities for	placements in cultural
supervisors/managers and	Oaklanders Oaklanders	names disparities and	Oakland's youth	arts organizations and
HR oversight, which is out of	access city-funded job	focuses on increased	to find good	engage the Youth
reach for many small	training services	mobility, security and	local jobs.	Commission in Youth
operations		wealth for low-wage		workforce program
	<b>EWD-WD Provide Oaklanders</b>	workers	Increase the	planning and design.
o Businesses have a strong	with industry recognized		number of Earn	
desire to fill open positions,	credentials 50% of adult	Target workforce services	and Learn	Increase the number
and many business owners	participants in city-funded	to Oakland ZIP Codes	opportunities	of adult jobseekers
are values-driven to offer	training programs receive an	with the highest	and job	trained through
employment to those who	industry recognized	unemployment °	placements for	Oakland Workforce
might need an opportunity,			Oakland youth.	Development Board-

2017 Small Business Task	Economic Development	Oakland Economic	Economic Re	Economic Recovery Plan 2021
Force	Strategy 2018-2021	Recovery Advisory Council 2021		
but cannot do so if those	credential within one year	Expand safe childcare and		funded training
employees cannot perform	EWD-WD	learning options for	Market the	programs in 2021-
adequately, or create a		Oakland youth.	Metrix online	2022 from 100-150 to
resource drain on staff and	Provide pathways from		learning	300. Target programs
managers	training into work for	Ensure unemployed	platform and	to support job training
	Oaklanders 70% of adult	workers have continuous	address access	and placement in fast-
o Lack of support for	participants in city-funded	health coverage.	barriers such as	growing industries
employees exiting these	training programs get a		lack of	including Healthcare,
programs post-hire is	stable, middle income job	Analyze and report on	computers,	Construction, IT, and
insufficient, and subsidized	EWD-WD	wage and hiring	access to the	Hospitality, consistent
wages for a short period of		disparities	internet, and	with the current Local
time do not adequately	Provide work-based learning		digital literacy.	Workforce
offset the complexity of	opportunities to young	Businesses and Non-		Development Plan.
these engagements for	Oaklanders young people	profits to close training	Consider	
small employers	undergo work-based learning	and wage gaps	increasing youth	Identify funding and
	annually		wages above	create a marketing
		Oakland's youth are at	minimum wage	campaign to increase
	<b>Expand the use of Workforce</b>	protests making a clear	for Summer	awareness and use of
	training programs for blight	call for justice and	2022 and	Oakland's three
	reduction	equitable investment in	beyond.	American Job Centers
		their communities and		of California (AJCCs),
	New training positions are	futures. Economic	Explore and	targeting ZIP Codes
	added in blight reduction and	recovery and rebuilding	identify funding	with the highest
	public infrastructure	efforts must engage and	for a mobile	unemployment rates.
	maintenance	include Oakland youth to	AJCC for	
		share their survival	underserved	Complete an asset
		stories and hopes for the	communities	mapping and
		future.	with an	evaluation of all city-
			emphasis on	wide adult and youth
		Identify sectors with	majority BIPOC	employment
		growing hiring needs	communities in	programming to align

Economic Recovery Plan 2021	strategies and identify opportunities.
Economic F	deep East Oakland.
Oakland Economic Recovery Advisory Council 2021	
Economic Development Strategy 2018-2021	
2017 Small Business Task Force	