



City of
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**Strategy Outlining Goals for More Equitable
Economic Growth approved by Oakland City Council**

Oakland, CA — On Tuesday, Nov. 28, the City of Oakland’s Economic Development Strategy was adopted by the Oakland City Council. The [Strategy](#) outlines steps to make Oakland an easy, efficient and prosperous place to do business while finding ways to give marginalized businesses and residents the tools and access they need to thrive now. To achieve this, the Strategy proposes over 50 targets the City should aim to reach over the next three years, from supporting small businesses, to building housing, to maintaining public space.

“I believe Oakland is uniquely positioned – in terms of values and opportunity – to chart a course for responsible economic development,” said Oakland Mayor Libby Schaaf. “In this document, we have outlined an economic development vision and strategy for Oakland that will help us control our own destiny, set our own priorities and secure the resources needed to thrive now and for years to come.”

Discussions with stakeholders from across Oakland’s economy identified eight shared values that underpin the Strategy: economic security, equity and diversity, growing good jobs, fiscal sustainability, efficiency, shared responsibility, collaboration and transparency. These values will guide the City’s economic development efforts to help ensure Oakland remains a unique, special place to live and do business.

While Oakland’s economy has grown significantly in recent years, employment and income growth has not benefited Oakland residents and business owners equitably. Unemployment for Black, Latino/a and Asian Oaklanders in 2016 dropped to 10%, 7% and 6% respectively, but those rates were still higher than the city’s overall unemployment rate of 5.3%. Greater disparities exist in household incomes and wealth. Despite the drop in unemployment, the median household income for Black and Latino/a Oaklanders did not increase. For this reason, the Economic Development Strategy broadens the City’s approach from a focus on jobs to building wealth, including through business ownership. Nationwide, Blacks and Latino/as are the fastest growing demographics for entrepreneurs.

The Strategy recognizes that economic growth in Oakland is not sufficient if the benefits are only felt by one portion of our community and outlines the actions to take to ensure every Oaklander benefits from and participates in this prosperity.

The Strategy establishes three high-level objectives:

- Oakland’s economy will continue to grow, with a 10% increase in per capita gross regional product by 2020

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- The number of Oaklanders making less than a living wage will be reduced by 50%
- The asset poverty rate of African Americans (currently 63%) and Latinos (currently 69%) will be reduced by half

“We need to make strategic investments that will harness the power of economic development to grow the local economy and achieve the equitable results we all want,” said Mark Sawicki, Director of Economic & Workforce Development. “Given City staff and budget constraints, public-private collaborations are essential in reaching the objectives laid out in the Strategy.”

The City will focus on policies and programs that create stronger business environments, encourage investment, provide clean and safe commercial corridors, modernize industrial corridors, enhance business support services, foster public-private partnerships and help train residents so they can access good-paying jobs. The City will also make concerted efforts to help businesses owned by people of color and by women expand their capacity and market share.

Recognizing that many City departments play key roles in sustaining a local environment to foster economic growth and ensuring every Oaklander benefits from this growth, the Strategy details shared citywide goals and establishes targets and metrics for tracking and accountability.

Some of the specific, measurable goals set for the next three years are:

- The City will support more than 1,000 businesses each year
- The economy will add 2,800 jobs each year
- The City will give 12,000 Oakland residents access to job training each year
- The City will achieve a 90% business satisfaction rating for its assistance and services
- The City will support the construction of more than 4,250 new homes, including 1,200 below-market-rate, while protecting 5,000 households from displacement
- The City’s public-private development investments will earn \$30 million in one-time revenues and \$16 million in annual City revenue to fund City services and programs
- The City will spend \$120 million on transportation and other public infrastructure – including repaving 1,100 city blocks – and other City facilities, including fire stations, libraries and recreation centers
- The City will conduct a Racial Equity Analysis to evaluate existing conditions, analyze impacts and maintain positive outcomes for communities of color, English learners and low-income communities

Background

The City’s last Economic Development Strategy was adopted in 1997. Since then, Oakland’s economy has changed and gone through cycles of growth and contraction. At the same time, public tools for stimulating and regulating the economy have substantially changed. Most notably, in 2012, the State of California dissolved Redevelopment agencies, significantly curtailing the City’s available resources for economic development. Also, in 2014, President Obama signed the Workforce Investment and Opportunity Act, which changed the focus of Federally-funded workforce development programs towards regional collaboration and business engagement, while the amount of funding has continued to decline.

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Over the past two years, a series of 10 focus groups, as well as an online survey, were used to gather insight from industry leaders and small business owners. City staff from various disciplines were engaged in interdepartmental meetings.

In April 2017, staff presented a [first draft of the Economic Development Strategy](#) to the Community & Economic Development (CED) Committee. This initial draft identified core principles and values related to economic development and a set of goals and actions. Committee feedback identified priorities around manufacturing and industrial land, opportunity sites, safety and cleanliness, businesses owned by people of color, performance metrics, job creation and small business development and support. Concurrently, the Business Development staff participated in the Small Business Task Force, which also [presented recommendations](#) to City Council in April 2017.

Based on the Committee's direction provided in April, the Economic Development Strategy was revised to provide greater focus on both immediate initiatives to stimulate economic growth that is equitable and responsible, as well as highlight key long-term planning and investments for future sustainable growth.

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