

# A DOWNTOWN FOR Shaping the future of downtown Oakland EVERYONE



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# A DOWNTOWN FOR Shaping the future of downtown Oakland EVERYONE

The SPUR Oakland City Board adopted this report as official policy on May 26, 2015.

# Executive Summary

See pages 66–69 for a plan of action identifying the parties responsible for implementing our recommendations.

After years of struggling to attract investment, downtown Oakland is enjoying a renaissance. Organic, bottom-up growth and targeted public investment are resulting in new cultural events, art galleries, restaurants, bars and retail stores. The population and job base are growing, companies are relocating or expanding downtown and commercial vacancies are declining.

Oakland's urban center is poised to take on a more important role in the region — but the future is not guaranteed. An economic boom could stall before it really gets going. Jobs and housing could expand elsewhere, leaving downtown Oakland underutilized. Or the economy could really take off — but in a way that harms Oakland's character, particularly its cultural dynamism, racial and ethnic diversity, political activism and identity as a welcoming community.

We believe that the best path forward is to plan for growth — and to shape that growth to make downtown Oakland a great place that provides benefits to all. Downtown Oakland is an opportunity to demonstrate that equity and economic growth can go hand in hand.

Downtown faces key challenges today. While the number of jobs is growing, the economy remains fragile. Institutional lenders have been hesitant to invest in downtown projects, large anchor tenants are scarce and commercial rents are rarely high enough to cover the cost of new office construction. Many in downtown, and Oakland generally, struggle to secure affordable housing and high quality employment. Downtown's parks, plazas and streets need upgrading and maintenance. Its centers of activity — such as City Center and Jack London — are spread out and density is uneven, contributing to a final challenge: Public safety concerns deter some from spending time and investing in downtown.

This report looks at solutions to these challenges, as well as ways to take advantage of unique opportunities. Unlike many urban centers, downtown Oakland has the infrastructure in place to support growth. It is at the center of the Northern California rail network and has more BART trains passing through it than any city in the region. Downtown's streets are largely without congestion and could be reimaged to provide more space

for buses, bicycles and pedestrians. There are also many acres of vacant land and surface parking lots right in the middle of downtown. This means downtown could add thousands of new jobs and residents without displacing any current homes or businesses. Add to these opportunities the creativity and energy of Oakland's residents, and there is an opening for downtown Oakland to demonstrate a new path forward for cities.

## Our Vision: A Downtown for Everyone

Oakland's downtown should reflect what is great about the city. We believe it should be an economic engine that serves all of Oakland. It should be a place where people from all over the city — and all over the Bay Area — come to spend time. It should be a center for many of the city's jobs, institutions, governmental agencies and cultural resources.

To achieve this vision of a downtown for everyone, we have articulated a set of principles to guide new growth and change as they come to downtown over time:

- Downtown should welcome everyone.
- Downtown should encourage a wide mix of jobs, residents, nightlife and cultural activities.
- Downtown should strengthen its history, culture and character as it grows.
- Downtown should generate taxes and investment that allow everyone to benefit from economic growth downtown.
- Downtown should prioritize getting around by walking, biking or taking transit for everyone, regardless of income.
- Downtown should embrace its role as an increasingly important regional center.

With these principles in mind, we propose five big ideas for how downtown can grow to better serve Oakland and its residents:



### Big Idea 1: Grow 50,000 more jobs in downtown and create pathways to get people into them.

There are many ways Oakland can make its downtown a better place to form and grow businesses, including providing support to start-ups, establishing a “jobs squad” to help with hiring and bringing on a chief economist to analyze the economic impact of new legislation. One important opportunity is the large amount of publicly owned property downtown. The city and other public sector landowners should develop a strategic vision for how to best use public land to meet goals like creating new jobs and raising revenue for city services. Of equal importance to job growth is job access and making sure new jobs are broadly available. As companies and jobs grow, we recommend that the city and its partners work to create strong alignment between the education and workforce systems, so that students and workers can get on pathways to these opportunities.

### Big Idea 2: Bring 25,000 more residents to downtown at a range of incomes, and enable existing residents to remain.

Adding more housing and more residents downtown will make it more active, particularly during evenings and on weekends. This will increase local amenities and public safety. Over time it will also help lead to the growth of retail, a critical gap. To meet the goal of 25,000 new residents, the city should update its zoning to allow more housing and improve amenities to attract new residents. To make sure that downtown remains accessible, the city should experiment with new housing models and secure more funding from a wide variety of sources to preserve and expand affordable housing downtown. The city must also do a better job enforcing current rent protections, so that existing residents can stay in downtown as it evolves.

### Big Idea 3: Set clear and consistent rules for growth to make downtown a better place for everyone.

To add new residents and jobs, downtown Oakland will need a lot of new development. The rules governing new construction must take into consideration the needs of the community as well as the

financial realities of development. We recommend that the city set financially feasible impact fees in order to maximize revenue while enabling new investment to take place. We think the city should take a market-oriented approach toward land use decisions in most of downtown, but hold out for office uses near BART and maintain industrial uses in Jack London. We also recommend that the city set performance targets and standards for downtown and adjust policies to keep Oakland on track to meet them over time.

### Big Idea 4: Create inviting public spaces and streets as part of an active public realm.

Great downtowns are comfortable, clean and safe. The ground floors of buildings are inviting, the parks and public spaces are beautiful, and visitors can easily understand how to get around. To achieve great downtown status on these measures, we recommend that the city strengthen its urban design guidelines for buildings, especially ground floors, and redesign its streets to be more functional and welcoming for pedestrians, cyclists and transit riders. The city should invest in new and existing public spaces, improve wayfinding signage and adopt Vision Zero policies to reduce traffic-related deaths and injuries.

### Big Idea 5: Make it easy to get to and around downtown through an expanded transportation network.

Downtown Oakland is one of the most transit-accessible places in the region. Yet only 24 percent of downtown employees take transit to and from work. Over time, downtown should strive to increase the share of commuters who take transit, walk or bike to more than 50 percent. To achieve this, we recommend the city and transit operators redesign the local bus system, build out the East Bay bus and bus rapid transit network, create a world-class biking network, and close or remove some freeway off-ramps to regain land in downtown. It will also be crucial for the city's new Department of Transportation to create a capital plan to prioritize and identify funding for the many infrastructure projects currently under consideration downtown. ☀

# Introduction

In Oakland, as in many places, downtown is where people go to discover the pulse and dynamism of their city. Downtown Oakland is a destination for arts, culture and nightlife, a place where thousands live and tens of thousands come to work every day. And, like all downtowns, it has the responsibility to be a welcoming community meeting ground, an economic resource that supports the city's needs, and a concentrated center of jobs and housing near transit that helps reduce sprawl and carbon emissions.

But downtown Oakland has a long way to go to live up to its responsibilities as the largest urban center in the East Bay.

From one point of view, downtown Oakland is booming. The area has gained more than 8,000 new residents and dozens of new restaurants and bars in the last 15 years. The First Friday arts festival brings close to 20,000 people downtown every month. A number of Bay Area companies have relocated to downtown Oakland to take advantage of its great transit and other amenities. In fact, existing businesses and residents are feeling the pressure as downtown becomes more desirable and land values and rents rise.

From another point of view, downtown Oakland has never managed to catch the waves of economic prosperity that regularly crest over downtown San Francisco, just 10 minutes away. Only two new commercial buildings have been built in the last 15 years. There are still dozens of vacant lots, and many downtown public spaces are poorly maintained, victims of budget cuts and limited public investment. Despite a lot of media coverage about downtown Oakland as a place to visit and

**FIGURE 1**

## The Geography of Downtown Oakland

SPUR defines downtown as the area that stretches north from the Oakland Estuary to 27th Street and west from Lake Merritt to Interstate 980. Within this geography are numerous distinct neighborhoods, such as Jack London<sup>1</sup>, Chinatown, Old Oakland, City Center, Uptown, Koreatown/Northgate (KONO), the Lakeside or Gold Coast and the Lake Merritt Office District. SPUR's boundaries for downtown overlap with three of the city's specific plan areas: all of the Downtown Specific Plan, the Valdez Triangle portion of the Broadway/Valdez Specific Plan and the western portion of the Lake Merritt Station Area Plan.

<sup>1</sup> For the purposes of this report, "Jack London" refers to the entire area between I-880 and the waterfront. Jack London includes Jack London Square (the dining and retail area closest to the waterfront) as well as the Wholesale Produce Market, Howard Terminal and the surrounding blocks.





Sergio Ruiz

move to, storefronts still sit empty, and the streets are largely devoid of activity when there's not a cultural event going on.

Which is the true picture of downtown Oakland?

Both of them — which makes it hard to plan for the future.

Would adding more jobs and residents make downtown feel safer and bring new resources to pay for the city's many needs? Or would it alter downtown's character and push out long-time residents and local businesses? Will new planning efforts be sensitively crafted to make downtown a welcoming place for everyone? Or will they be a repeat of 20th-century mistakes like urban renewal and freeway construction, which badly damaged downtown and the rest of the city? What does downtown Oakland really need to become the best version of itself?

The answer to these questions will require Oakland and its leaders to thread the needle of attracting economic growth without losing existing residents and businesses. We believe it is possible — in fact, imperative — for downtown Oakland to embrace a broad set of goals and become a thriving, successful downtown that welcomes and supports everyone. It's not going to be easy. But if we get it right, downtown Oakland can become a national model for cities navigating today's reignited interest and investment in urban centers.

Several factors make downtown Oakland a particularly good candidate to grow in an equitable way. First, its infrastructure does not face the same constraints found in other urban centers of the Bay Area. There are dozens of acres of vacant land and parking lots to build on, enough space to accommodate tens of thousands of new jobs and residents without displacing any existing ones. Second, the transportation infrastructure is largely in place to

support growth. Every BART train in the system passes through one of Oakland's three downtown stations. With freight lines and Amtrak service along the waterfront, downtown is at the center of the Northern California rail network. Twenty-eight different bus lines run on Broadway, more than anywhere in the region outside of Market Street in San Francisco. The East Bay's first bus rapid transit route will link downtown to San Leandro along International Boulevard. Finally, the downtown streets are largely free of auto congestion, creating an opportunity to define a future with plenty of space for pedestrians, transit and bikes — without having to make trade-offs with cars.

But the future is not guaranteed. An economic boom could stall before it really gets going. Jobs and housing could expand elsewhere, leaving downtown Oakland and its great infrastructure still underutilized. Or the economy could really take off, but it could grow in a way that harms downtown's cultural fabric, damaging the very things that make Oakland special: its political activism, cultural dynamism and racial and ethnic diversity.

We strongly believe that the best path forward is to plan to grow — and to shape that growth in a way that provides the greatest benefits to all. Downtown Oakland should be the place where we demonstrate that equity and economic growth can go hand in hand. It presents an important opportunity to develop a new template for equitable urban growth in America.

This report offers five big ideas for how downtown Oakland can add housing and jobs, improve upon important amenities like transportation and public space, and truly become a downtown for everyone. ☀️

# How We Got Here

**For many years, Oakland had a thriving urban downtown that was the cultural and economic center of the East Bay.**

From its founding in 1852 through the early years after World War II, downtown Oakland was a dense and important urban center. Oakland's location on the eastern shore of the San Francisco Bay led to its selection as the terminus of the Transcontinental Railroad in 1868. In the late 19th and early 20th centuries, it was where notable architects built key skyscrapers, including the 1914 City Hall, then the tallest building west of the Mississippi. In the

Starting in the 1890s, a network of streetcars connected downtown Oakland to other cities throughout Northern California.

years after the 1906 earthquake and fire damaged San Francisco, Oakland boomed and its downtown received further investment, population and job growth. Movie palaces like the Fox and Paramount theaters, ballroom dance halls, and department stores like Capwell's, I. Magnin and Kahn's lined Broadway and Telegraph.

Much of the East Bay's streetcar and rail network passed through or adjacent to downtown. As early as 1891, electric rail service connected downtown Oakland with Berkeley. These lines linked downtown seamlessly to surrounding neighborhoods, cities and the rest of the region.

The presence of this dense downtown — with attributes like great weather, geographic centrality and land availability — led some in the early 20th century to think that Oakland and its downtown would eclipse San Francisco to become the center of the Bay Area, if not the entire Pacific Coast.<sup>2</sup>

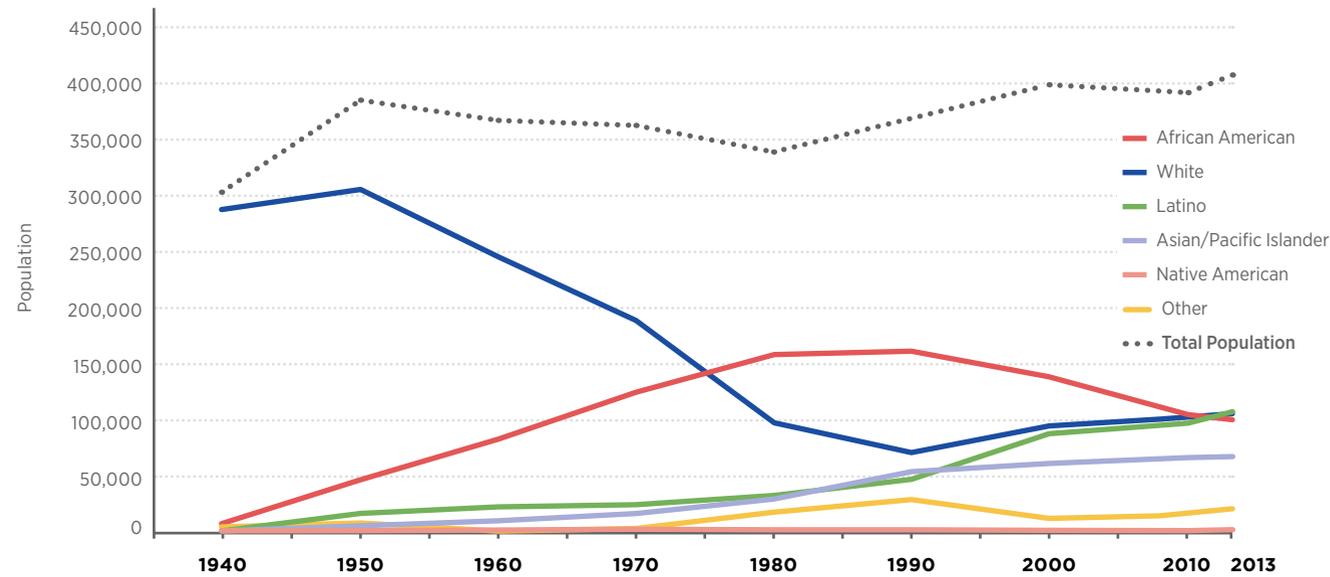
**In the post-World War II years, Oakland's demographics changed as whites left for the emerging suburbs and the African-American population grew.**

During the first few decades after World War II, the demographics of Oakland changed dramatically. The city's white population, which had been the majority, declined significantly in numbers and was replaced by a fast-growing African-American population from 1950 through the 1970s. Asian and Latino populations also began to grow more quickly in the 1970s. Like many cities, Oakland's overall population declined from 1950 to 1980. Over that period, it lost 45,000 residents, compared with 100,000 in San Francisco.

<sup>2</sup> Scott, Mel. *The San Francisco Bay Area: A Metropolis in Perspective* (1985), 137.



Public domain



**FIGURE 2**  
**Oakland's Changing Demographics, 1940-2013**

From 1940 to 1990, Oakland's African-American population grew from 8,000 to over 160,000, while the white population fell from nearly 300,000 to close to 70,000. By 2013, the African-American, white and Latino populations in Oakland were roughly the same, and the city had become one of the most diverse in the country.<sup>3</sup>

Source: Decennial U.S. Census data were used for decades 1940 through 2010. 2013 data is from the American Community Survey. <http://factfinder.census.gov>

The growth of the African-American population resulted in significant black political power by the 1970s. The Black Panther Party successfully registered thousands of new voters during the 1960s and '70s, and party chairman Bobby Seale came in second in the 1973 mayor's race. Oakland's first African-American mayor, Lionel Wilson, was elected in 1977 and served until 1991.

As the city's overall population shifted and diminished in number, downtown also went through major demographic changes. First, freeway construction resulted in the demolition of thousands of homes on the edge of downtown and West Oakland, leading to a decline in the African-American population. Second, Chinatown grew in the postwar years as downtown (like Oakland overall) became more diverse.

**The city struggled for resources as a changing industrial base shifted jobs to the suburbs.**

For several decades after World War II, the City of Oakland competed directly with suburban areas for industrial investment and for the resulting employment and tax revenues. Cities such as San Leandro and Hayward expanded their land area as they sought to attract manufacturing facilities. At the same time, these communities built new residential neighborhoods where they

<sup>3</sup> In 2014, Oakland was named the most diverse city in the United States. See: <http://priceonomics.com/the-most-and-least-diverse-cities-in-america>

tried to keep property taxes low as a way to lure new residents. For a number of years, these communities were segregated and largely excluded non-white residents from purchasing new homes and participating in the postwar suburban boom. As Robert Self writes in *American Babylon*, his history of Oakland, "Postwar suburbanization in the United States was driven by the politics of making markets in property and in maintaining exclusionary access to those markets."<sup>4</sup>

As a result, Oakland struggled with a declining tax base as businesses, industry and investment moved to the suburbs. In the late 1970s, the situation worsened when a statewide tax revolt led to Proposition 13, resulting in major tax cuts that further affected the already limited resources available to California cities.

**Partially in response to these trends, Oakland city leaders promoted planning moves like urban renewal and new freeways that unintentionally — but massively — damaged downtown.**

Faced with declining property values in the urban core and competition from the suburbs, Oakland leaders pursued the same modernist planning tactics as many other American cities: redevelopment and highways. During the decades between the 1950s and the 1980s, many portions of downtown were destroyed in the name of urban renewal and freeway construction, while city streets were widened or made one-way to accommodate the growth of car use and ownership.

In 1956, the Oakland Redevelopment Agency formed to carry out urban renewal, a federally sponsored and locally implemented program that used the power of eminent domain to clear "blighted" land for reinvestment and redevelopment.<sup>5</sup> Redevelopment demolished buildings and razed large portions of neighborhoods — often with no new development to replace

<sup>4</sup> Self, Robert. *American Babylon: Race and the Struggle for Postwar Oakland* (Princeton University Press, 2003), 97.  
<sup>5</sup> See: <http://oaklandplanninghistory.weebly.com/the-changing-face-of-oakland.html>

them for many years, if at all. Between urban renewal, the construction of two major freeways and the building of the BART system, more than 5,000 units of housing were demolished in West Oakland alone.<sup>6</sup> To this day, the scars of empty land remain at the center of what were once lively communities.

When new development did come, it was often in the form of "superblocks" that replaced the prior street pattern and impaired the walkability of the entire district. This was the case at City Center, a redevelopment district of 15 blocks between Broadway and Castro from 11th to 14th streets. City Center was part of a specific strategy to position downtown Oakland to compete with both San Francisco and suburban areas for offices, retail stores and conventions.<sup>7</sup> The project was intended to capture regional shoppers and office workers through its connection to the new BART stations on Broadway and the planned Grove/Shafter freeway (today's I-980) on its western end. To realize the plan, the city completely destroyed the 40-acre area, save for a few historic buildings. Between 1970 and 1972, traditional shops that catered to pedestrians disappeared from Washington Street between 10th and 14th (which now dead-ends into the Oakland Convention Center), for a loss of approximately 300,000 square feet of retail space.

Despite plans calling for as many as seven office towers between 20 and 55 stories, only three structures had been built by 1980 in the otherwise vacant and empty area.<sup>8</sup> Throughout the '80s, additional attempts to secure private sector investment proved difficult; most of the new office development housed public agencies.<sup>9</sup> In fact, between 1975 and 2015, only two major private sector office towers were completed in the district.<sup>10</sup> Although City Center did result in 10 mid-rise towers and a major hotel/convention center, it established an inward-focused shopping district that destroyed the historic street pattern and a once-thriving, pedestrian-oriented retail environment.

The era of urban renewal coincided with the rise of automobiles and the construction of two new freeways that cut off downtown Oakland from surrounding areas. Built in the 1950s, I-880 formed a barrier between downtown and the city's waterfront. I-980 (begun in the 1960s and completed in 1985) separated downtown from West Oakland, creating a gash through what was previously a contiguous neighborhood. Prior to the freeways, both areas were integrated with downtown. Not only did communities lose housing and other buildings in the path of the freeway, but these mammoth roads generated blight and diminished property values in neighboring blocks. Streets around the freeways and throughout downtown were converted into one-way thoroughfares with a sole focus: making it easy to drive quickly through downtown.

Even the construction of BART, which put Oakland's downtown at the center of a new regional rail system, destroyed

<sup>6</sup> Schwarzer, Mitchell. "Oakland City Center: The Plan to Reposition Downtown within the Bay Region," *Journal of Planning History* (August 21, 2014): 8. Available at: <http://jph.sagepub.com/content/early/2014/08/21/1538513214543985>

<sup>7</sup> *Ibid.*

<sup>8</sup> *Ibid.*, 12.

<sup>9</sup> Several small state office buildings opened in 1994, and the Ronald V. Dellums Federal Building complex, with two 18-story towers, opened in 1993. In 1998, the 22-story Elihu M. Harris State Office Building opened at 1501 Clay Street. Although nearby, the Harris Building was not part of City Center.

<sup>10</sup> These are 1111 Broadway (1991) and 555 12th Street (2002).



The construction of Interstate 880 during the 1950s (pictured), and later Interstate 980 in the 1980s, led to the displacement of thousands of residents and created a barrier between downtown and nearby neighborhoods.

homes and a significant amount of business activity along Broadway for years. Station construction used the "cut and cover" technique, which required digging up the entire street to build the tunnel. Retail in downtown Oakland has never quite recovered from this lengthy construction project. The same fate befell Market Street in San Francisco during the construction of BART, but the damage to downtown Oakland was more severe and has lingered longer, given the smaller job and population base.

Overall, the redevelopment efforts of the postwar period robbed the community of residents, buildings and a part of its identity. Freeway construction quite literally tore neighborhoods apart.

In 1989, Oakland suffered again when the Loma Prieta earthquake struck. Downtown was hard-hit, with major damage to key historic buildings and numerous single room occupancy hotels that primarily housed low-income and African-American residents.

Through much of the 1990s, private investment in downtown Oakland was minimal and the majority of new or rehabilitated housing was managed by affordable housing nonprofits.<sup>11</sup> This housing provided needed homes to struggling households and brought new life to areas of downtown. At the end of the decade, Oakland's new mayor, Jerry Brown, devoted much of his administration to bringing even more people and investment to downtown, a legacy we will take up in the next chapter.

As Oakland engages in a long-term planning process to reshape its downtown again, it will be important to acknowledge the challenges caused by past planning efforts and to ensure that we learn from them. ○

<sup>11</sup> Salazar, Alex. "Designing a Socially Just Downtown: Mayor Brown's plan for a new downtown in Oakland was stymied by a resurgence of grassroots housing advocacy," *Shelterforce Online*. Available at: <http://www.nhi.org/online/issues/145/designingdowntown.html>

# Today's Opportunities and Challenges

Since the 1990s, a growing base of new housing, art galleries, entertainment venues, retail stores, bars and restaurants has enlivened downtown Oakland. When Mayor Jerry Brown took office in 1999, he proposed the 10K Plan, calling for new housing that would add 10,000 new residents to downtown. This approach was a marked shift from prior urban development efforts. Instead of clearing land for new commercial development, the Brown administration sought to capture growing interest in urban living, particularly among higher-income residents, and locate new growth downtown. Between 1999 and 2015, downtown Oakland added close to 5,000 housing units and 8,000<sup>12</sup> residents, growing to a current population of more than 20,000.<sup>13</sup> While the 10K Plan initially fell short of its target, the new population brought more life to the streets and created a larger customer base for downtown businesses, particularly around Uptown, and area that previously had little pedestrian activity.

Since 2006, the nonprofit Oakland Art Murmur has organized a First Friday art walk, opening galleries and other downtown venues to the public once a month. As of 2012, Oakland Art Murmur galleries had held more than 400 exhibitions showcasing over 1,200 artists, which were visited by an estimated 84,000 people.<sup>14</sup> As Art Murmur became more popular, it spurred a street festival in the surrounding neighborhoods, now a separate event known as Oakland First Friday. The festival

<sup>12</sup> This estimate is based on the U.S. Census American Community Survey 2009 – 2013 five-year estimates. We totaled the population living in the census block groups that mostly closely align with our definition of downtown.

<sup>13</sup> Source: City of Oakland estimates from 2010 to 2015. A 2010 analysis by the City of Oakland identified 4,274 units that were completed between 1999 and 2010, with another 3,500 in various stages of construction and planning. See: <http://www2.oaklandnet.com/oakcal/groups/ceda/documents/webcontent/dowd021842.pdf>

<sup>14</sup> See: <http://oaklandartmurmur.org/about-oakland-art-murmur>

closes Telegraph Avenue to cars from West Grand Avenue to 27th Street and brings in an estimated 10,000 to 20,000 visitors each month.

At the same time, downtown has witnessed an eruption of new restaurants, bars, art galleries, live music venues, cultural events and small retail stores. Much of this excitement and change is the product of risks taken and energy injected by Oakland's community of artists, musicians, shopkeepers, activists, property owners and entrepreneurs. Today, downtown Oakland features 75 restaurants and cafes, 40 bars and clubs, 33 galleries and cultural venues and 32 major events, attractions and festivals.<sup>15</sup> In addition to First Friday and Art Murmur, key events include Eat Real, Art + Soul, Oaklavia, Pride, Pedalfest and the Oakland Running Festival/ Marathon. Given how easy it is for people from all over the Bay Area to travel to downtown Oakland, it's a prime location for festivals and events.

In addition to this organic growth, there have been critical strategic investments in public amenities downtown. Major investments by the Oakland Redevelopment Agency and local developer Phil Tagami restored the 2,800-seat Fox Theater, originally built in 1928 and closed from 1966 to 2009. Together, the Fox and the Paramount Theatre, which was restored in the 1970s, symbolize the return of downtown to its early-20th-century roots as the East Bay's central social and entertainment district. In 2002, voters approved a nearly \$200 million bond measure for improvements around Lake Merritt and the Oakland Estuary,<sup>16</sup> including road improvements, trails and landscaping, connecting the lake to the estuary and converting a fire department pumping station into the Lake Chalet restaurant.

<sup>15</sup> See: <http://www.meetdowntownoak.com>

<sup>16</sup> For a list of projects funded by Measure DD, see: <http://www2.oaklandnet.com/Government/o/PWA/o/EC/s/MeasureDD/OAK022503>



Art + Soul Festival



Lake Merritt renovation



Fox Theater



Oakland First Friday



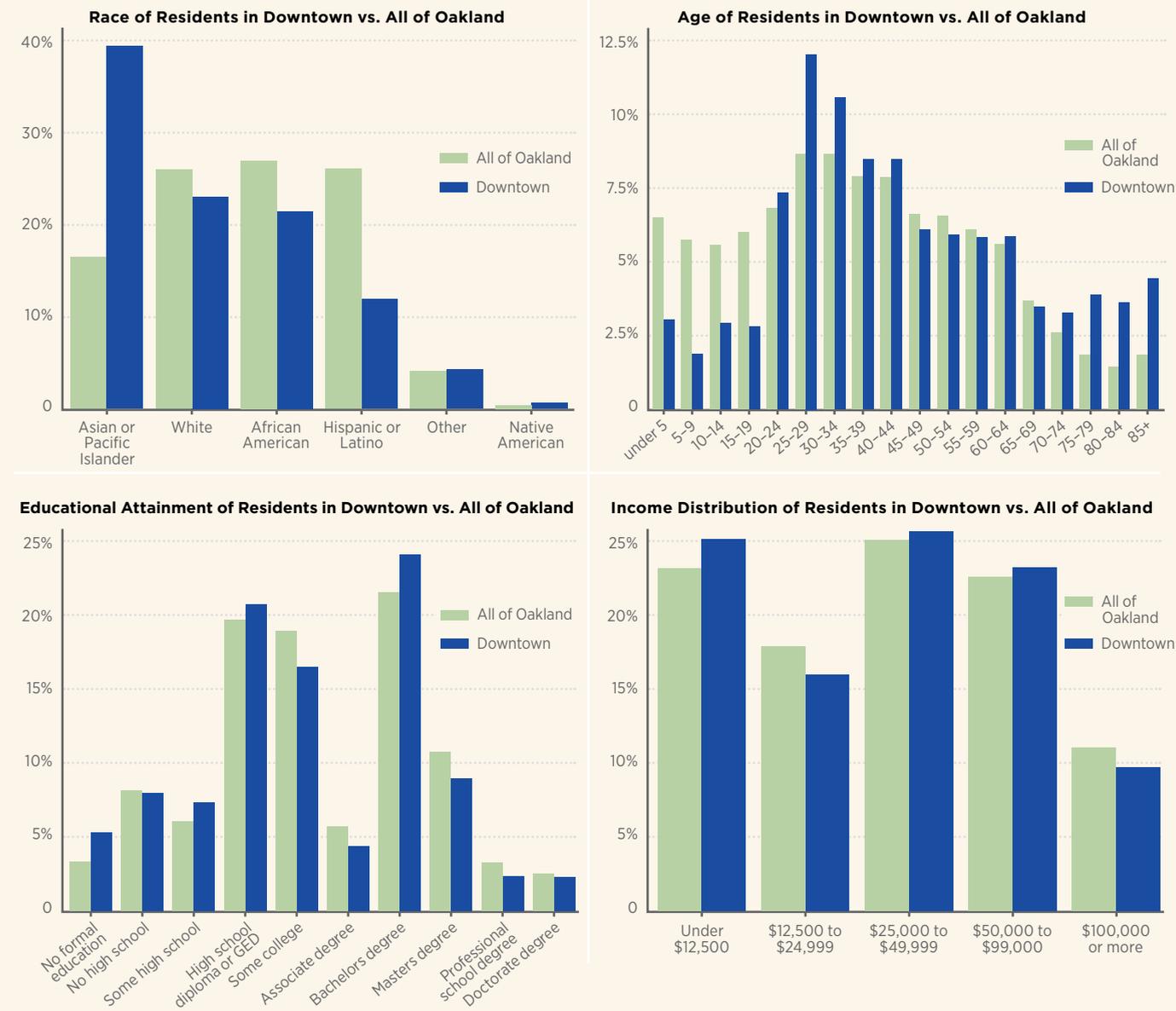
Paramount Theatre



Off the Grid food truck pod, Uptown

All photos by Sergio Ruiz

# Who Lives in Downtown Oakland?



**FIGURE 3**  
Demographics of Downtown Oakland and the City as a Whole

These four figures show how the demographics of downtown Oakland compare with those of the city as a whole. In terms of race and ethnicity, downtown Oakland's residents are more likely to be Asian and slightly more likely to be African-American, while significantly less likely to be white or Latino compared with the city overall. Due to the presence of Chinatown, nearly 40 percent of the people who live in downtown Oakland describe themselves as Asian or Pacific Islander, while this is true for only 16 percent of people city-wide.

Downtown also has a much higher percentage of people in their late 20s and early 30s and people over 70 — but not as many families with children. The main finding regarding education is that the college experience for downtown residents has more often concluded with bachelor's degree, while residents citywide are more likely to have some college or an associate's degree. The income findings show that downtown has only a slightly higher percentage of middle-income individuals and a slightly higher percentage of people living near the federal poverty line (which was \$11,499 in 2013).<sup>17</sup>

<sup>17</sup> <http://obamacarefacts.com/federal-poverty-level/>

Source: All data are taken from the U.S. Census American Community Survey 2009 – 2013 five-year average tables. Downtown Oakland statistics are taken from census block groups or census tracts that fit within our defined downtown area. Income data are for individuals 15 and over who are working. Educational attainment data are for individuals 25 and over.



The city's historic core is one of four distinct job centers downtown. Instead of functioning like one unified downtown, these hubs are separated by areas of lower density and less activity.

This combination of organic, bottom-up growth and thoughtful public investment has created considerable excitement about downtown. Today, downtown Oakland faces a number of remaining challenges: Its economy, its public spaces and the public's perception of it could all stand to improve. But Oakland's existing transit, its uncongested streets and its available land offer a rare opportunity to build a truly great downtown without some of the trade-offs present in other cities. Below we list a few of the key challenges and opportunities.

**Challenge: While the number of jobs in downtown is growing, its economy remains fragile.**

Downtown Oakland is the East Bay's biggest employment center and single largest agglomeration of commercial office buildings. Home to more than 17 million square feet of office space, it had nearly 84,000 jobs in 2014, thousands more than it did in 2009.

Most of the large employers in downtown Oakland are public sector entities such as the City of Oakland, Bay Area Rapid Transit (BART), the University of California Office of the President, the state and federal government, AC Transit, the East Bay Municipal Utility District, Alameda County and others. Large private sector employers include Kaiser, Clorox and Pandora.

In recent years, more employers have chosen to locate an office in downtown Oakland. Architecture firm Gensler shifted some operations from San Francisco and San Ramon to a new office downtown, *Sunset* magazine moved its headquarters from Menlo Park to Jack London Square, and the California Stem Cell Institute cut its rent in half by relocating from Mission Bay in San Francisco to an office tower overlooking Lake Merritt.

Meanwhile, the economics of new office construction remain difficult. Office rents typically remain below the cost of construction, large tenants are scarce and lenders often require office projects to be three-quarters pre-leased prior to the start of construction.<sup>18</sup> As a result, developers who are backed by institutional capital, such as pension funds, have been slower to invest in Oakland projects. (For more on the downtown office market, see sidebar on page 29.)

<sup>18</sup> Source: Interviews with private developers in downtown Oakland, Spring 2015.

**Challenge: Despite growing numbers of workers and residents, downtown's activity and density levels are uneven.**

From the city's founding through World War II, Oakland's downtown grew primarily in a dense, contiguous pattern, north from the waterfront to 14th and Broadway.<sup>19</sup> Only a few major civic structures, such as the Kaiser Convention Center (1914) on Lake Merritt and the Alameda County Superior Court (1934), were built outside of the Broadway corridor.

However, in the postwar period, some of the key private office developments, such as the Kaiser Center (1959) and the adjacent Ordway Building (1970), were built close to Lake Merritt's northern edge. The location of these buildings reinforced a broader downtown shift away from Broadway and the dense, transit-oriented historic city center around 14th Street. It also represented an attempt to compete with the suburbs by providing amenities like easy access to parking. The Kaiser Center was part of a 7-acre superblock with a 2,500-spot parking structure and a landscaped rooftop garden. As Mitchell Schwarzer writes in the *Journal of Planning History*, "Instead of bolstering the old Fourteenth and Broadway office core, where Kaiser Industries had previously been located, Kaiser Center and its neighboring towers created a competing city-within-a-city, a semi-suburban complex where most employees drove to work and had less to do with other parts of the downtown. Instead of cohering downtown, the office towers by Lake Merritt pulled it apart."<sup>20</sup>

The subcenters in downtown Oakland today include:

- The historic downtown core around the 12th Street/City Center BART Station, including City Hall and City Center
- The Lake Merritt office district surrounding the Kaiser Center, the Ordway Building and the 2100 Franklin Street building

<sup>19</sup> Terplan, Egon and Maaoui, Magda. "Four Plans That Shaped Downtown Oakland's First 100 Years," *The Urbanist*, February 2015. Available at: <http://www.spur.org/publications/article/2015-02-03/four-plans-shaped-downtown-oakland-s-first-100-years>

<sup>20</sup> *Supra* note 6, p. 6.

- The civic and cultural center surrounding the Alameda County office building, the Superior Court, the city's main library, the Oakland Museum of California and Laney College
- Jack London and the Port of Oakland



Sergio Ruiz

**Opportunity: Downtown's streets are largely without congestion and could be used in different ways.**

Downtown's streets have little automobile congestion, providing an opportunity to use some of the generous roadway space for transit, bikes and pedestrians.

Downtown has the right conditions to create a world-class surface transportation network for buses, bikes and other vehicles. Roads and streets are not congested today, which means the surplus space could be used for protected bike lanes and dedicated bus lanes, laying the transportation foundation necessary to support future population and job growth without relying primarily on private automobiles for mobility. Unlike many cities, Oakland can increase density without creating trade-offs between cars, transit, bikes and pedestrians. In fact, despite a growing population and job base, traffic volumes on downtown Oakland streets declined 25 percent on average between 2002 and 2013.<sup>23</sup>

The 28 bus lines that run on Broadway provide an extremely high level of bus service, more than any other place in the Bay Area other than Market Street in San Francisco. But bus stops and lines are poorly organized and hard to understand for new visitors or others unfamiliar with the network. The relative lack of congestion and the large quantity of buses create a great opportunity to further strengthen downtown's impressive transit network.

<sup>23</sup> This is based on intersection turning movement counts collected at 32 study intersections during the weekday morning and afternoon peak hours, between the years 1999 and 2002 and then again in 2013. See: "Jack London Square Redevelopment Project Update: Traffic Volumes and Trip Generation Calculations," AECOM, May 22, 2013.

**Challenge: Public safety concerns deter many from spending time and investing in downtown.**

Public safety is a complex set of issues that some employers and residents cite as a deterrent to locating or spending time downtown. For downtown Oakland, public safety manifests itself in two quite distinct ways that should not be conflated.

First, there is the issue of personal crime, particularly street crimes like assault or purse snatching. Based on an analysis of reported crime over two years within half a mile of the center of each downtown (see Figure 4), downtown Oakland has about one third the total reported crime of downtown San Francisco. See sidebar on page 17 for more information.

Second, there is the issue of vandalism that often follows major protests or demonstrations. Because it targets businesses, this type of vandalism affects employers' decisions about whether or not to locate or remain in downtown, potentially impacting the overall number of jobs downtown.<sup>21</sup>

Not only have some businesses been reluctant to locate in Oakland, some people unfamiliar with downtown have been reluctant to visit. Some investors, especially those whose perception of Oakland depends on the public narrative, have hesitated to invest capital into downtown without more compensation for the risk they're taking.

The story of public safety in downtown is changing. Growing numbers of people work, live and spend time downtown, which boosts the feeling of safety on the street. Explaining her concept of a safe and healthy street, activist and urbanist Jane Jacobs famously wrote, "The sidewalk must have users on it fairly continuously, both to add to the number of effective eyes on the street and to induce the people in buildings along the street to watch the sidewalks in sufficient numbers."<sup>22</sup> Downtown Oakland is getting more eyes on the street, but it still has a ways to go to achieve Jacobs' vision. There are too many dead zones with insufficient numbers of pedestrians and activity. This is particularly evident in the evenings, when daytime workers are gone and few restaurants or businesses remain open in the surrounding areas.

<sup>21</sup> Source: SPUR interviews with employers.

<sup>22</sup> *The Death and Life of Great American Cities*, chapter 2, p. 35. Available at: [https://books.google.com/books?id=P\\_bPTgOoBYkC](https://books.google.com/books?id=P_bPTgOoBYkC)

# How Does Crime in Downtown Oakland Compare to Downtown San Francisco?

	Total crimes	Violent crimes	Workers	Residents	Total crimes per 100 workers	Total crimes per 100 residents	Violent crimes per 100 workers	Violent crimes per 100 residents
Oakland	9,451	2,106	50,877	15,235	19	62	4	14
San Francisco	28,409	3,026	208,969	13,731	14	207	1	22

Source: SPUR analysis of data from the Oakland Police Department and San Francisco Police Department.

**FIGURE 4**

**Reported Crimes in Downtown Oakland and San Francisco, 2013-2015**

From February 2013 to February 2015, downtown Oakland had less than one-third the total reported crime relative to downtown San Francisco. Per capita, downtown Oakland had five more total crimes for every 100 workers than downtown San Francisco.

Public safety can be described both by an area's crime rate and by how safe people feel there. Oakland is commonly perceived as more dangerous than San Francisco, and citywide Oakland's latest per resident crime rate was higher than San Francisco's.<sup>24</sup> But both are big cities. When we consider just downtown Oakland and downtown San Francisco, how do they compare? We analyzed reported crimes from the Oakland Police Department<sup>25</sup> and from the San Francisco Police Department<sup>26</sup> to draw our own conclusions.

We compared crimes reported in the latest two-year window for which data were available (February 21, 2013, to February 21, 2015), focusing on incidents within a half-mile of the center of each downtown. Downtown Oakland's center-point was the corner of 14th Street and Broadway Avenue, and San Francisco's was the corner of New Montgomery and Market streets. We also compared the populations living and working in these areas in recent years to arrive at per-capita crime counts.

We found that downtown Oakland had roughly one-third the reported crime that downtown San Francisco did for the time period.<sup>27</sup> After categorizing crime into violent and non-violent,

we also found that Oakland had fewer reported violent crimes, though violent crimes made up a larger share of downtown Oakland's overall count.

Per-capita crime tells a mixed story, as the population of each downtown changes drastically throughout the day. The San Francisco sample had roughly 14,000 residents but more than 200,000 workers. The Oakland sample has roughly 15,000 residents and just slightly over 50,000 workers.<sup>28</sup> If we normalize our two-year crime count by these population numbers (assuming very little change year to year), we see that Oakland's per-worker total crime rate is about 37 percent higher than San Francisco's, and its violent per-worker crime rate is 187 percent higher. However, when considering the residential population, San Francisco's per-resident total crime and violent crime rates are higher than Oakland's by roughly 234 percent and 59 percent, respectively. Note that these numbers do not take the number of visitors into account, as data are not available for them.

In each city, reported crimes peak between 7 and 8 a.m., are lowest between noon and 1 p.m., and go up again around 5 p.m. and around midnight. Because the higher crime rate per capita flips between the cities depending on whether you calculate by workers or residents, it is difficult to draw a clear conclusion regarding the relative crime rate of each downtown.

Our ultimate conclusion is that crime rates should be treated with nuance and skepticism, especially as individuals decide how safe a place makes them feel. Crime rates can change depending on how they are normalized, and blanket statements about crime can't tell the whole story.

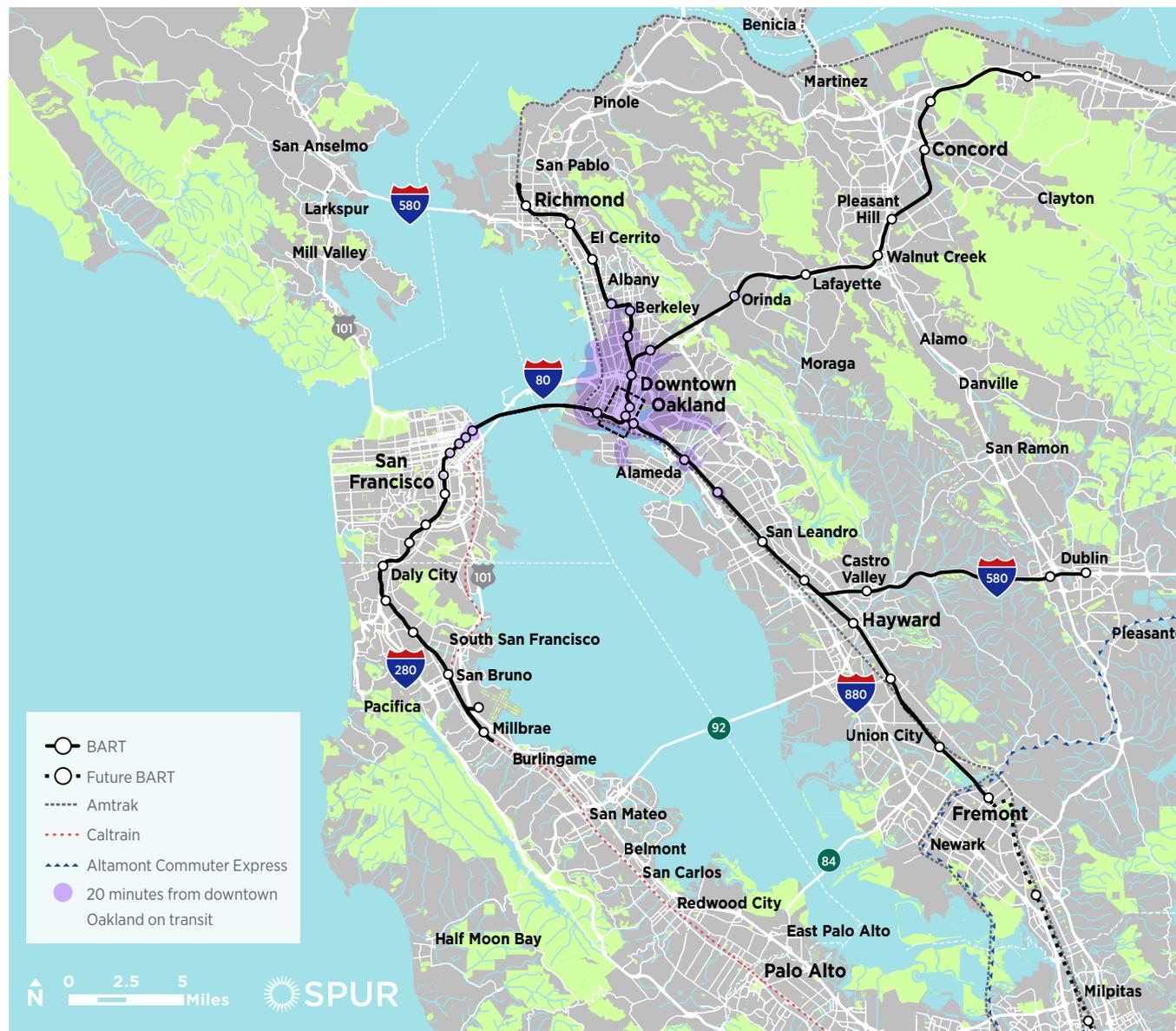
<sup>24</sup> The latest crime reports from the FBI show Oakland citywide has a higher total and higher violent crime rate per capita than San Francisco citywide. See Table 8, from the FBI's 2013 crime statistics: <https://www.fbi.gov/about-us/cjis/ucr/crime-in-the-u.s/2013/crime-in-the-u.s.-2013/offenses-known-to-law-enforcement/browse-by/city-agency>

<sup>25</sup> Oakland's reported crime data were downloaded from: <http://data.openoakland.org/dataset/crime-reports>

<sup>26</sup> San Francisco's reported crime data were downloaded from: <https://data.sfgov.org/data>.

<sup>27</sup> Interpreting reported crime data requires some care. For example, if there is under-reporting of crime it may be that an area has less of a police presence or level of organization.

<sup>28</sup> For each city, the most recent resident population was provided by census block in the 2010 U.S. Census. The most recent worker population was estimated using the U.S. Census OnTheMap tool for the 2012 worker population. Available: <http://onthemap.ces.census.gov/>



Source: Mapnificent, Map by Perkins & Will.

**Opportunity:** Downtown is at the center of the region's transit network, with more BART trains than anywhere else in the region.

With a strong transit infrastructure in place, downtown lies at the center of the region's rail network. Every train in the BART system passes through downtown Oakland. With ridership at record highs, BART faces the steep challenge of providing enough trains to carry East Bay workers into San Francisco. This capacity constraint sets up downtown Oakland perfectly to be a second major job center. "Out commutes" from San Francisco to Oakland have more room for new passengers than trains heading into San Francisco during commute hours.

Jack London Square already has direct train access to Sacramento and the South Bay along the

Capitol Corridor, an Amtrak line with significant capacity for growth. Additionally, BART will extend into San Jose by 2018 and connect downtown Oakland directly to the South Bay with frequent transit service.

As the Bay Area continues to grow, we will need a second rail line under the bay, in addition to the current Transbay Tube.<sup>29</sup> Though the specific alignment remains to be seen, this route will invariably connect to downtown Oakland, further reinforcing downtown's centrality in the regional transit network and making it easier to get to downtown Oakland from throughout the Bay Area.

<sup>29</sup> SPUR analyzed the need for a second tube as part of our 2009 report on downtown San Francisco. Available at: <http://www.spur.org/publications/spur-report/2009-03-02/future-downtown-san-francisco>

**FIGURE 5**  
Downtown Oakland Is a Central Transportation Hub for the Region

Downtown Oakland is at the core of two Bay Area transit systems, BART and AC Transit. It is within a 20-minute transit ride of a large area (shown in purple) that includes West Berkeley, Fruitvale and downtown San Francisco.

**Opportunity:** There are many acres of developable land in downtown Oakland, much of which is vacant or used for surface parking today.

Downtown has more than 40 acres of surface parking lots and vacant parcels. Development on these lots could accommodate up to 54,000 new office jobs<sup>30</sup> (in 27 office towers totaling 13.5 million new square feet of space) plus roughly 16,500 residents (in more than 8,000 new housing units) without demolishing any existing buildings. However, current zoning does not permit towers on a number of those sites. Adjusting for some of the zoning constraints, we arrived at a more likely maximum build-out scenario that would accommodate 36,000 new jobs (in 9 million square feet) and 19,000 new residents (in more than 9,500 units).

For our analysis, we identified surface parking lots and vacant parcels as potential development sites. For the zoning constrained scenario, we assumed that parcels larger than 20,000 square feet and without height limits would be built as office towers, parcels of 15,000 to 20,000 square feet would be built as residential towers, and parcels of 15,000 square feet and smaller would be built as smaller residential buildings.<sup>31</sup> If we assume that only half of the appropriately zoned vacant sites over 20,000 square feet are built as office towers and the other half are built as residential towers, the total potential new office jobs on these sites drops to 22,000 (a decline of 14,000 jobs) while the number of new residents increases to about 22,800 (an increase of less than 4,000).

The sites we analyzed are just a subset of the total potential development parcels in downtown. In addition to these 40 acres, there are dozens of other development opportunities on parcels that are built at very low densities, such as one-story non-historic buildings. In this way, our estimates for residents and jobs are on the lower end of what could be accommodated downtown.

Overall our analysis suggests the following conclusions about the development potential of downtown Oakland:

- **There is significant opportunity for growth in downtown without demolishing existing buildings.** No other urban center in the Bay Area has so much undeveloped land available for new jobs and housing. Given that virtually all of downtown Oakland is within a half mile of a BART station, downtown is arguably the region's largest transit-oriented development opportunity. With the appropriate vision and policies, downtown can become a place that captures lots of development and shares the benefits of that growth equitably.
- **Only a tiny share of the vacant developable sites are suitable for office towers.** Of the 188 developable vacant sites and parking lots in downtown Oakland, only 24 of them are over 20,000 square feet and do not have an

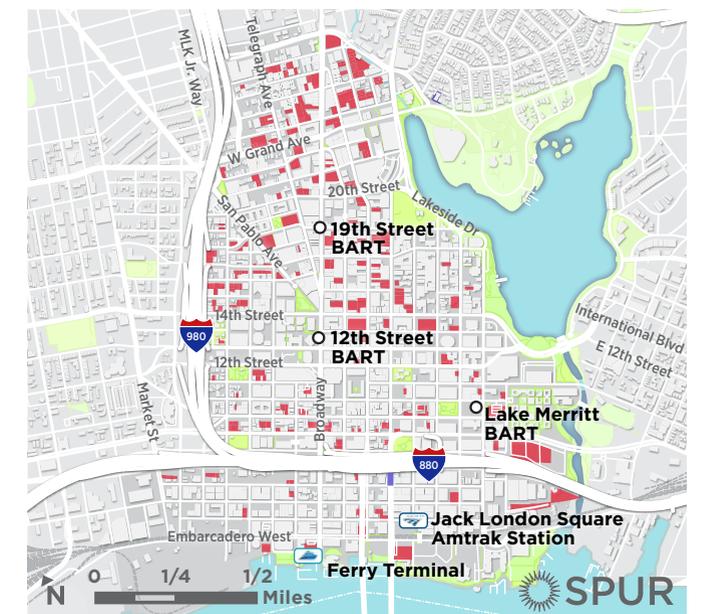
<sup>30</sup> This total does not include jobs that could be added downtown in the hotel, restaurant and other service industries, and so this number serves as a lower bound.

<sup>31</sup> For commercial office towers, we assume a 500,000-square-foot building, with a height of 350 feet, where each worker requires roughly 250 square feet of office space. For residential towers, we assume a 24-story building of 240,000 square feet. For larger lots with lower height limits, we assume a building of five stories and 450,000 square feet. For smaller parcels (regardless of height limit), we assume a four-story building. Across all residential building types, we assume each resident requires an average of 450 square feet.

active proposal for residential development. Yet only 18 of these sites have zoning that permits office towers of 350 feet or more (a minimum appropriate height for a high-rise office tower). Without adjusting changes to the zoning on some of these parcels and/or finding additional development sites, it would not be possible to add 50,000 new jobs in office towers in downtown Oakland.

- **The ratio of new jobs to housing will impact the future density of downtown, as an office tower has many more people in it than a comparable residential tower.** An office tower on a 20,000 square foot site can accommodate 2,000 workers, while the same sized residential building accommodates only 530 residents. Therefore, to the extent that large sites are built out as housing and not offices, downtown gains a smaller number of residents than it would have gained in new workers.

Ultimately, there is lots of room in downtown Oakland for all kinds of growth. As these and other sites go forward with development proposals, it is important for policymakers to keep track of the overall balance between housing and commercial development downtown, as well as which large sites remain available for future development.



Source: SPUR analysis and Perkins & Will.

**FIGURE 6**  
Surface Parking Lots and Vacant Lots in Downtown Oakland

SPUR has identified 40 acres of surface parking lots and vacant parcels in downtown that, under current zoning rules, could accommodate up to 36,000 additional office jobs and 19,000 new residents without displacing existing development.<sup>32</sup> Allowing taller buildings could increase the total potential number of jobs and/or residents in downtown.

<sup>32</sup> To identify possible sites for development, we analyzed satellite images accessed using Google Earth (on June 6, 2015) and identified parcels that were either vacant or surface parking lots.

# Our Vision: A Downtown for Everyone

Oakland's downtown should reflect what is great about the city. As a center for many of the city's jobs, institutions, governmental agencies and cultural resources, it should be an economic engine that serves the whole city, as well as a place where people from all over Oakland — and all over the Bay Area — come to spend time.

We believe that the best way to achieve this vision of a downtown for everyone is to articulate a set of principles that can guide new growth and change as they come to downtown over time. As Oakland embarks on long-range planning for its downtown, it is essential to balance a wide range of interests and break down traditional silos (for example, between those who are most interested in economic growth and those concerned about social equity).

Inevitably, there will be moments of tension and trade-off when applying these principles. Can we encourage growth without pushing out existing residents and businesses? Can we grow an economy that truly provides opportunity for people at all skill and wage levels? Can we respect the people and institutions that have shaped downtown as it is today without turning downtown into a museum?

Shaping the future of downtown Oakland will involve balancing these important issues to make hard choices. The following principles can act as guidelines for these decisions.

## PRINCIPLE 1 Downtown should welcome everyone.

As the city's central gathering space, we believe that downtown Oakland should be a place where various communities can come together peacefully. Many existing downtown events, like the annual Art + Soul festival and First Friday, embody this sense of welcoming. Thoughtful improvements to public spaces have also made downtown more inviting, including investments in the parks and open space around Lake Merritt, Walter Hood's 1999 redesign of Lafayette Square, and the redesign of City Hall Plaza into Frank Ogawa Plaza, which expanded public space by closing a section of San Pablo Avenue to cars.

Unlike other neighborhoods, downtown belongs to everyone. Instead of having one dominant identity, it should encourage numerous overlapping identities that reflect Oakland's broad diversity. From tai chi practitioners making use of Chinatown's Madison Park to Oakland School for the

Oakland's public spaces and streets should be available for all types of uses, from morning tai chi exercises to sports-team victory celebrations.



Arts students giving impromptu performances in Frank Ogawa Plaza, young and old alike should feel welcome downtown.

Downtown should showcase the best of Oakland's originality, creativity, cultural sensibilities and entrepreneurial spirit. It should continue to be a place that encourages individual risk and celebrates people whose art, business and ideas strengthen the broader community. It should welcome those who express divergent political views and should remain the central civic place that allows important marches and peaceful protests.

## PRINCIPLE 2 Downtown should encourage a wide mix of jobs, residents, nightlife and cultural activities.

We believe that downtown Oakland should have a wide range of uses, including offices and services catering to the business district, industrial uses connected to the Port of Oakland, housing at all income levels, and entertainment and cultural activities to serve a growing social district. With large amounts of underused infrastructure in downtown Oakland — empty lots, streets, parks and transit — there's lots of space to accommodate job growth while simultaneously expanding the number of residents.

As we welcome a wide range of uses in downtown, it's important to plan for the long term. As a general rule, we believe Oakland will get the most growth if it allows the real estate

market to determine the mix of uses in downtown, instead of predetermining the balance. But there should be a few exceptions. Since we want to make sure downtown is an economic engine for the city and region, we have to balance market orientation with long-term thinking to make sure that one use (such as housing) doesn't crowd out another use (such as jobs) to preclude Oakland's potential.

## PRINCIPLE 3 Downtown should strengthen its history, culture and character as it grows.

Downtown should maintain and strengthen its neighborhoods and their distinct characters. The vitality in Chinatown, the diversity of Koreatown/Northgate (KONO) and the industrial character of parts of Jack London are all essential to downtown.

Existing residents should be able to stay in downtown and benefit as quality of life, job opportunities, infrastructure and public safety improve over time. It is particularly important to share the rewards of growth with those long-time residents who have endured decades of disinvestment and the dislocations of urban renewal.

Downtown should also seek to preserve buildings with distinct historic value and allow them to be adapted for contemporary uses and needs. Having a mix of old and new buildings adjacent to each other is an important part of what makes a city interesting.



Sergio Ruiz



Sergio Ruiz



Sergio Ruiz

#### PRINCIPLE 4

### Downtown should generate taxes and investment that allow everyone to benefit from economic growth downtown.

The benefits of a growing downtown should be shared broadly with the entire city. Downtown Oakland offers many opportunities to generate revenue that can pay for needed services across Oakland. New workers in downtown become new customers for retailers, restaurants, bars and entertainment venues, boosting revenue from sales tax. New residential and commercial developments pay higher property taxes, as well as one-time development fees. With additional revenue from these sources, the city would be able to better fund public safety improvements, provide more amenities like parks and recreation services, build more affordable housing and properly maintain infrastructure throughout the city.

#### PRINCIPLE 5

### Downtown should prioritize getting around by walking, biking or taking transit for everyone, regardless of income.

More than 44 percent of the nearly 10,000 households living in downtown Oakland do not own a car.<sup>33</sup> Nearly half get to work on transit (27 percent) or by walking (21 percent), and another 15 percent carpool, bike, work at home or otherwise get to work without driving alone. Commuters to downtown Oakland are more likely to drive than downtown residents. One-quarter of commuters to downtown take transit to work. There is room for improvement on all of these measures. The city should prioritize improvements that make it easier and safer to get around downtown conveniently without having to rely on driving.

Downtown should be a great place to take transit, bike and walk, with safe bike lanes, generous sidewalks, safer intersections and appropriately timed traffic lights. Sidewalks and public spaces should be well designed, well used and well maintained, which will make them inviting places for people to linger and spend time.

<sup>33</sup> Source: SPUR analysis of U.S. Census American Community Survey, 2009-2013. This is based on an analysis of Census Tracts 4028, 4029, 4030, 4031, 4033, 4034 and 9832.



Sergio Ruiz

#### PRINCIPLE 6

### Downtown should embrace its role as an increasingly important regional center.

Downtown Oakland should be a major job center and a key cultural destination in the Bay Area. Investment decisions about transit, density and development in downtown should improve and serve not only the City of Oakland, but also the East Bay and the rest of the Bay Area. Downtown should build on its symbiotic relationship with downtown San Francisco as one interconnected urban place linked by transit. Already, more than one-third of BART trips to downtown Oakland originate in downtown San Francisco.<sup>34</sup> This does not mean that downtown Oakland should become a residential hub for San Francisco workers. It means that downtown Oakland should offer the region an alternative destination for jobs and entertainment that is easy to reach via transit. Similarly, downtown should build strong linkages to surrounding neighborhoods and cities by transit and bike and should mitigate physical barriers like freeways.ⓘ

<sup>34</sup> SPUR analysis of BART data. See: <http://www.bart.gov/about/reports/ridership>

## What Are Downtowns For?

In previous SPUR publications, we've made the case that downtowns are one of the greatest achievements of American urbanism.<sup>35</sup> No other society has concentrated so much of a city's commercial activity — both business and retail — in a tight urban core.

Downtowns provide important benefits for both the surrounding city and the broader region. They serve three key functions: cultural and civic, economic, and physical and spatial.

#### The Cultural and Civic Function

*Downtowns are a meeting ground, a stage.*

Downtowns are a place to welcome everyone, a place to celebrate city life. They're where we gather to seek solace in times of crisis and where we come to speak our political opinions. They're where people of different economic, racial and cultural backgrounds spend time and share together. In a downtown, there is no single civic voice; it's a place where all voices representing the city's diverse communities have room to express their opinions.

#### The Economic Function

*Downtowns are an economic driver, revenue-generator and place of opportunity.*

Downtowns are where many businesses locate, particularly those that value face-to-face interaction. The density in downtowns supports the clustering of industries, putting companies in close proximity to many of their customers, clients, competitors, partners and suppliers. This economic activity also provides revenue to support city services. And because downtowns attract a variety of industries, they provide a wide range of jobs and opportunities to a city's — and region's — residents.

#### The Physical and Spatial Function

*Downtowns are a place to concentrate higher densities around transit.*

Downtowns are places that support density and growth, with the potential for lots of jobs and lots of housing. Downtowns are where we usually focus our transit and encourage most people to arrive and move around without a car. Growth in downtowns has a smaller environmental impact than growth in lower-density areas.

Downtowns are also where citizens and civic leaders accept and expect more experimentation and a greater mixture of uses. Other neighborhoods, even dense urban ones, would not permit a high-rise next to a one-story historic building, a nightclub next to an apartment complex or a high school on top of a music venue. Downtowns are fundamentally different from traditional neighborhoods and should be treated as such.

<sup>35</sup> Terplan, Egon. "Shaping Downtown: An emphasis on placemaking and focused growth," *The Urbanist*, February 1, 2010. Available at: <http://www.spur.org/publications/article/2010-02-01/shaping-downtown>

# Grow 50,000 more jobs in downtown and create pathways to get people into them.

The most dynamic and economically successful downtowns are major jobs centers for their respective cities and regions. Downtown Oakland today has about 84,000 total jobs, comparable to the total employment in downtown Cleveland and Milwaukee.<sup>36</sup> With the combination of improved economic conditions, strong political support, appropriate policies and a responsive public sector, downtown Oakland should aim to add another 50,000 jobs by 2040. This growth matches projections from the Association of Bay Area Governments (ABAG)<sup>37</sup> and would put downtown Oakland's total employment levels on par with cities like Denver and Portland. While job growth does not happen in a perfectly even pattern, growing by 50,000 jobs in downtown means adding about 1,500 to 2,000 jobs a year over 25 years. If all the jobs were in new office buildings, this would mean adding about one new building the size of 1111 Broadway every two years.<sup>38</sup> While this overall growth represents a

<sup>36</sup> Comparing total employment across downtowns is difficult as there is no common definition for where a downtown begins and ends. For total downtown Oakland employment, we relied on calculations by Hausrath Economics Group and the City of Oakland of US Census' Longitudinal Employer-Household Dynamics program (LEHD) data. For other US cities, we relied on an analysis by Paul Levy and Lauren Gilchrist of the Philadelphia Center City District in their report "Downtown Rebirth Documenting The Live-Work Dynamic In 21st Century U.S. Cities" prepared for the International Downtown Association. 2013. Available at: [http://definingdowntown.org/wp-content/uploads/docs/Defining\\_DowntownReport.pdf](http://definingdowntown.org/wp-content/uploads/docs/Defining_DowntownReport.pdf)

<sup>37</sup> ABAG expects the Downtown Oakland Priority Development Area to add 50,000 jobs and double in population over a 531-acre area. See: ABAG PDA Showcase. Available at: <http://gis.abag.ca.gov/website/PDAShowcase>

<sup>38</sup> We assume that each worker needs about 150 square feet of workspace. This means a 550,000-square-foot office building has enough space for about 3,600 workers.

big jump, downtown Oakland has already been steadily adding jobs, even during the recession.

Establishing a downtown where companies want to locate and grow is the result of dozens of factors, many of which policy makers do not have direct control over. Factors such as how the overall economy is doing and which industries a city contains are more important than any specific economic development policies or programs. In many ways, the best course for city leaders is simply to present a strong public stance that economic growth is critical for the city and that Oakland wants businesses to locate and grow downtown. Then city leaders should work on being responsive to businesses, maintaining a transparent and fair political process and delivering high-quality services.

Many of the fundamentals are in place to make downtown Oakland an attractive place for jobs. More workers can easily get to downtown Oakland than almost anywhere else in the Bay Area. With the largest share of the region's workforce living in the East Bay, employers are starting to recognize the benefit of locating jobs where many commuters do not have to deal with the uncertainties of transbay BART service or the Bay Bridge. Additionally, rents are more affordable than in San Francisco. For example, from 1995 through the middle of 2015, office rents in downtown Oakland have ranged from 8.4 percent below downtown San Francisco's (at the end of 2001) to 77 percent below (in the middle of 2015), with the spread expanding significantly between 2009 and 2015.<sup>39</sup> The gap could narrow if the rapid increase in San Francisco rents slows and/or if downtown Oakland's office market gets stronger.

<sup>39</sup> Source: Collier's International.

But there are some challenges to adding jobs. Quite simply, downtown Oakland is a small job and office market. Companies like to be around other companies, ideally in related industries. That's why most successful downtowns in the United States have a dense pattern of office buildings clustered together, as opposed to a small number of buildings spread across a large area. Currently, there are more than 17 million square feet of commercial office space in downtown Oakland between the Lake Merritt, City Center and Jack London office districts.<sup>40</sup> In contrast, other inner East Bay job centers have far less total office space. Emeryville has about 4.4 million square feet, Richmond has less than 3.5 million, Alameda has about 3.3 million and downtown Berkeley has about 1.5 million. Furthermore, the vacancy rate for Class A office space in downtown Oakland has declined significantly, dropping from around 10 percent in 2014 to below 6 percent in the middle of 2015.<sup>41</sup> Low vacancy rates can lead to major increases in rental prices and are a particular concern for growing companies, which might not have enough room if they expand quickly.

Although there are quite a number of available sites for new development and the commercial rental market is getting tighter, rents have typically not been high enough to make new office construction financially feasible. (See sidebar on page 29 for further explanation of the office market.) Projects that renovate older buildings, such as the former Sears department store on Broadway, are another way to bring more office space to market given that renovation costs much less than new construction.

Many think that downtown should be able to grow by attracting a large firm from another city that needs more space. This approach would suggest that downtown Oakland should pursue companies that are priced out of San Francisco, such as web-design and software firm Fluid (which leased 16,000 square feet in historic Latham Square building for all of its 100 employees) and professional services firms like Gensler (which established a major office in downtown Oakland while retaining its headquarters in San Francisco).<sup>42</sup> While such relocations are welcome, this is not where most job growth typically comes from.<sup>43</sup>

Most job growth comes instead from existing companies that expand in or near their current locations. According to research from the Public Policy Institute of California, relocations across county boundaries within California accounted for only

<sup>40</sup> Source: Colliers International. Oakland Metropolitan Office Market, Second Quarter 2015. This includes Class A, B, C and Flex office products. See: <http://www.colliers.com/en-us/oakland/insights>

<sup>41</sup> Colliers International. *Oakland Office Market Review, Research & Forecast Report*. Available at: <http://www.colliers.com/-/media/Files/MarketResearch/UnitedStates/MARKETS/Oakland/oak.ofc.news.Q1-15.pdf>

<sup>42</sup> Li, Roland. "Facing steep rent increase, S.F. tech tenant moves to Oakland." San Francisco Business Times. July 27, 2015. See: <http://www.bizjournals.com/sanfrancisco/blog/real-estate/2015/07/fluid-latham-square-oakland-lease-sf-spillover.html>

<sup>43</sup> Even given all the rent pressures in San Francisco, less than one-third of all tenants looking to expand in the East Bay are coming from a location outside the East Bay. However, most relocations to downtown Oakland are from San Francisco. See: DTZ. "East Bay Oakland Office Market Snapshot." Available at: <http://dtz.cassidyturley.com/markets/us/northern-california/local-research/local-market-snapshots>



Sergio Ruiz  
The area around City Center includes several important development sites near BART that could accommodate thousands more jobs and fill the area's public spaces with more life.

4.2 percent of job gains and losses.<sup>44</sup> In Oakland, the largest private sector employer is Kaiser, a homegrown firm. And despite the attention San Francisco is getting as a center of tech employment, the vast majority of San Francisco's tech job growth comes from companies that started in San Francisco, such as Salesforce and Twitter. Likewise, the large majority of Oakland's tech job growth has happened in companies that formed in Oakland, such as Pandora, Ask, Sungevity, Sfuncube and BrightSource Energy. The city is recognized nationally as a great place for startups (third nationally, according to *Popular Mechanics* and *Fast Company*)<sup>45</sup> and one of the top spots for capturing venture capital investment. Downtown has about a dozen co-working spots and a half dozen or more distinct business incubators and accelerators. Future growth should build off this existing infrastructure.

Who will benefit is a critical question to ask when stimulating job growth. Will the types of jobs in downtown be available to Oaklanders of all skill and education levels? Given the range of occupations in downtown and the ways the current downtown workforce mirrors the city's overall workforce, we think the answer is "yes."<sup>46</sup> Helping everyone benefit means increasing access to jobs by developing pathways from early schooling to post-secondary education or training to job placement. For example, a high school graduate in Oakland should be able to get a job providing tech support or network administration at a downtown law firm because she was exposed to employment

<sup>44</sup> Kolko, Jed. *Business Relocation and Homegrown Jobs, 1992-2006* (PPIC, September 2010). Available at: [http://www.ppic.org/content/pubs/report/R\\_910JKR.pdf](http://www.ppic.org/content/pubs/report/R_910JKR.pdf)

<sup>45</sup> See: <http://images.popularmechanics.com/technology/gadgets/news/startup-city-americas-best-places-to-start-a-business-3#slide-3>

<sup>46</sup> The demographics of the workforce in downtown Oakland are similar to the demographics of those working in jobs throughout the entire city. Both downtown and citywide, the workforce is close to 16 percent African-American. The downtown workforce is about 25 percent Asian while citywide it is 22 percent. The downtown workforce is less than 14 percent Latino while citywide it is over 17 percent. Thirty-nine percent of workers in downtown have a college degree or more advanced education compared with one-third of workers citywide.

opportunities throughout school and had the chance to secure industry-recognized certificates.

The retirement of older workers will also create thousands of job opportunities in downtown (and throughout the region). In fact, throughout the Bay Area, there will be more “replacement job” opportunities than new jobs at the middle-wage level.<sup>47</sup> Apprenticeships and internships can create employment pathways that teach younger people the skills needed to replace retiring workers.

We believe that investing in the talent pipeline and connecting Oakland communities to economic opportunities are key for downtown’s growth.

<sup>47</sup> Middle-wage jobs are jobs that pay \$40,000 to \$60,000 a year and do not require a college degree. See: Terplan, Egon et al. *Economic Prosperity Strategy: Improving economic opportunity for the Bay Area’s low- and moderate-wage workers*. October 2014. Available at: <http://www.spur.org/publications/spur-report/2014-10-01/economic-prosperity-strategy>

## RECOMMENDATION 1

### Make downtown Oakland a great place to form and grow businesses.

*Key implementers: Oakland Mayor’s and City Administrator’s Offices, Department of Economic & Workforce Development, Oakland Police Department, Oakland Metropolitan Chamber of Commerce, community benefit districts*

Making downtown Oakland a great place to start and grow a business requires many factors to work. The following are a few specific tactics the city and its partners should implement to help make this happen:

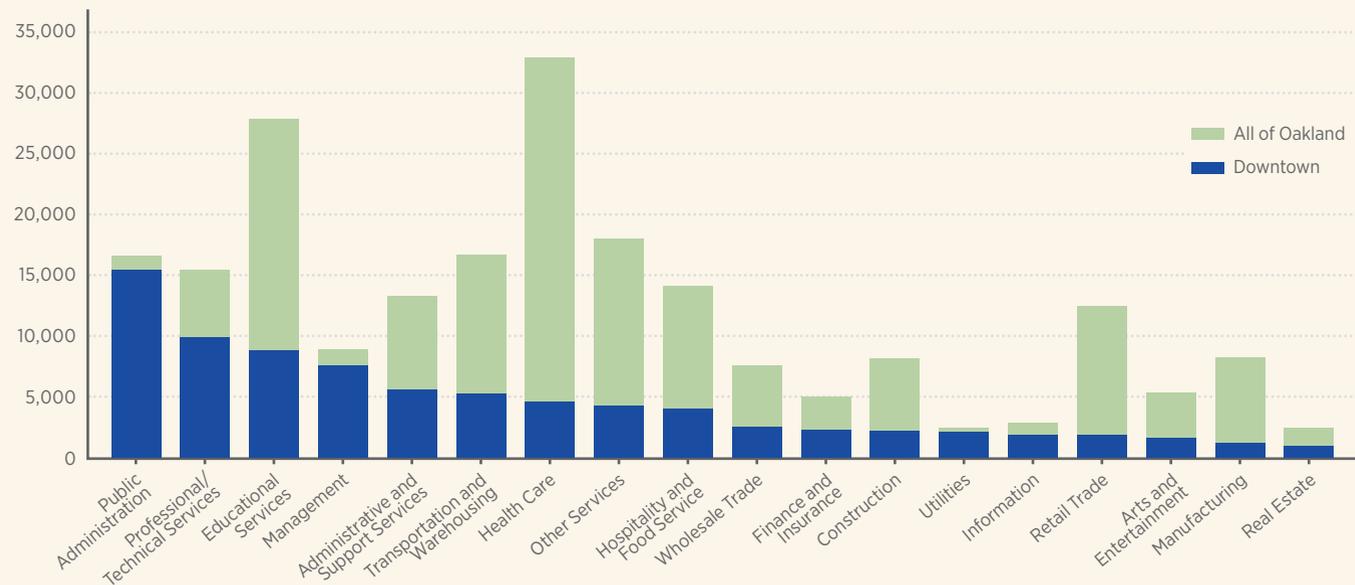
- **Expand support for startups and new companies.** Incubators and co-work facilities offer startups the opportunity to locate near other startups, sometimes in

FIGURE 7

#### What Jobs Are in Downtown Oakland?

Downtown’s 84,000 jobs make up about 38 percent of Oakland’s nearly 220,000 jobs. (For the purposes of this report, the Kaiser Permanente medical complex located around Broadway and MacArthur Boulevard is not considered part of downtown Oakland.)

Source: SPUR analysis of 2014 data from Hausrath Economics Group and City of Oakland.



Ninety-three percent of the city’s jobs in public administration are located in downtown. Major public sector tenants include the City of Oakland, the State of California, the federal government, BART, the University of California Office of the President, Alameda County, AC Transit and the East Bay Municipal Utility District, among others. Additionally, 86 percent of the city’s total jobs in management of companies, 69 percent of jobs in information and 65 percent of jobs in professional services are located downtown.

Despite the fact that most of the government and knowledge services jobs in Oakland are in downtown, those sectors only account for about half of all jobs in downtown. Notably, the health and educational services sectors account for a large number of jobs in Oakland, but only a small proportion are present in downtown — one-third of educational service jobs and 14 percent of health-related jobs.



Sergio Rulz

Co-working facilities like Impact Hub Oakland support solo entrepreneurs and start-ups. The number of new businesses with a socially responsible focus distinguishes the start-up environment in Oakland from other Bay Area centers.

a similar industry sector. These facilities provide access to a network of other entrepreneurs and funders, as well as to shared resources such as office management. Downtown Oakland is home to more than a dozen co-working and/or incubator spaces, including Impact Hub, Tech Liminal and the Port. The city has had a key role in helping support the growth of some of these facilities — as well as related entities such as Popuphood, Betti Ono Gallery and Awaken Café — by giving them reduced rents in City Hall Plaza for a number of years. The city should continue to support such incubators and their support networks by not raising all rents to market rate on city property. It should also continue to encourage new privately funded business incubators to locate downtown, but it should be cautious about making major public investment in establishing new incubators.<sup>48</sup> Instead, the city should focus its resources on finding more ways for companies in incubators, small-scale

<sup>48</sup> There are numerous examples of incubators led or sponsored by the public sector, such as the Silicon Valley Global Accelerator in downtown San Jose and the DUMBO Incubator and Varick Street Incubator in New York City. However, given Oakland’s fiscal limitations, we think it is important for the city to focus its resources strategically, such as by housing a business incubator in underutilized space in a city building.

entrepreneurs and startups throughout downtown to connect with each other and grow Oakland’s startup ecosystem. As this ecosystem continues to evolve, it will be important to engage institutions like the University of California and Laney College as key partners. In addition to providing technical support, these institutions could identify underutilized space that could be made available to startups.

- **Partner with business support organizations to augment the city’s Business Assistance Center.** Oakland’s Business Assistance Center, on the ground floor of 270 Frank Ogawa Plaza, is a city-run space dedicated to helping businesses start and expand.<sup>49</sup> The city should explore inviting nonprofit business support organizations, such as SCORE and Inner City Advisors, to deliver services there. These organizations could have access to cubicles and office space within or adjacent to the center to offer educational and other programs, as well as to meet with clients. The center and its partners could also provide targeted assistance to existing businesses, particularly around marketing, access to financial capital, business planning and lease negotiation. Smaller firms and organizations in particular face challenges as overall rents in downtown increase. In such cases, the city and its private partners should offer lease negotiation assistance to tenants (particularly long-time

<sup>49</sup> See: <http://www.oaklandbusinesscenter.com>

small businesses and organizations), as well as business planning services to help such firms remain in downtown and grow over time.

- **Develop an online portal to assist companies in getting through the business permit process.** As in many cities, the process for securing a permit for a new business in Oakland is often not clear, and it creates a challenge for many small-scale entrepreneurs. The city should secure pro bono support for mapping out the permit process for common small business types (e.g., restaurants) and develop an online portal, available on the Business Assistance Center website, to walk business owners through these requirements. An online permit program should also be integrated with the city's Accela program, which currently provides online help with planning and zoning, building permits and code enforcement. One model to look at is New York City, which has developed an online business wizard that identifies the permit process and steps for up to 20 different industry sectors.<sup>50</sup>
- **Establish a downtown "jobs squad" focused on outreach and services to existing companies.** In order to make sure downtown employers are aware of existing economic and workforce development programs and have access to skilled workers, a multi-agency team should work directly with new and growing companies. This "jobs squad" should include city economic and workforce development staff, as well as partners such as the Oakland Metropolitan Chamber of Commerce, downtown's three community benefit districts (the Lake Merritt/Uptown Association, the Downtown Oakland Association and the Jack London Improvement District), and community-based organizations. Outreach efforts should target specific industry sectors and gather information about existing companies' needs and issues, as well as distributing information about incentive programs and other assistance (including workforce development). Staff should maintain a database that tracks all direct outreach with employers, as well as needed follow-ups. See Recommendation 3 for further explanation.
- **Explore incentives and restart successful programs, such as the building façade improvement program.** With the dissolution of the state-funded Oakland Redevelopment Agency in 2012, the city's façade improvement program went away. This program provided matching grants for property owners to upgrade the facade or exterior of their building.<sup>51</sup> Between 2000 and 2010, the city's façade improvement program completed 204 projects with \$3.7 million in grants that leveraged over \$20.7 million in outside funding. The City of Oakland should consider identifying sources of funding to restart this program. In addition,

the city should explore restarting its business incentive program, which allowed for some waivers of business taxes (by city staff) and sales taxes (with city council approval). Instead of focusing on new companies with 20 or more employees, as the previous program did, the city should make these waivers available for existing companies, particularly small businesses.

- **Hire a chief economist with responsibility for analyzing the economic impact of legislation.** All legislation bears economic impacts. An analysis of these economic impacts allows for an honest conversation about the trade-offs involved in a piece of public policy before the public or elected leaders vote on the legislation. Without the analysis, policy debates can often follow ideological lines without data to back up the political perspectives. Analysis can often help determine whether simple tweaks to policies — like changes to the tax code, labor standards or chain store restrictions — can achieve policy goals without causing undue economic impact.<sup>52</sup> Several Bay Area cities (including San Jose and San Francisco) have chief economist positions and/or offices of economic analysis that analyze legislation for its potential economic impact. Oakland should establish such a position and give it a mandate to be objective and apolitical.
- **Consider creative ways to add new space for jobs.** In addition to overcoming the barriers to building new Class A office space (see sidebar on page 29), several other approaches can help secure additional space for jobs. One is to attract or encourage small-scale office development in new buildings of less than six stories and 50,000 square feet. Small-scale buildings are less costly to build, and downtown has many small parcels that could facilitate this type of development. Second, given the strength of the residential market, it could be appropriate to encourage vertical mixed-used development with large, open-floor-plan offices on the first few floors and housing above. This approach adds space for jobs while taking advantage of downtown's strong residential market to raise the overall building revenue. Finally, the city should continue to encourage the rehabilitation and upgrading of older buildings that can be converted to office space, as was done with the former Sears building and the Latham Square office building.

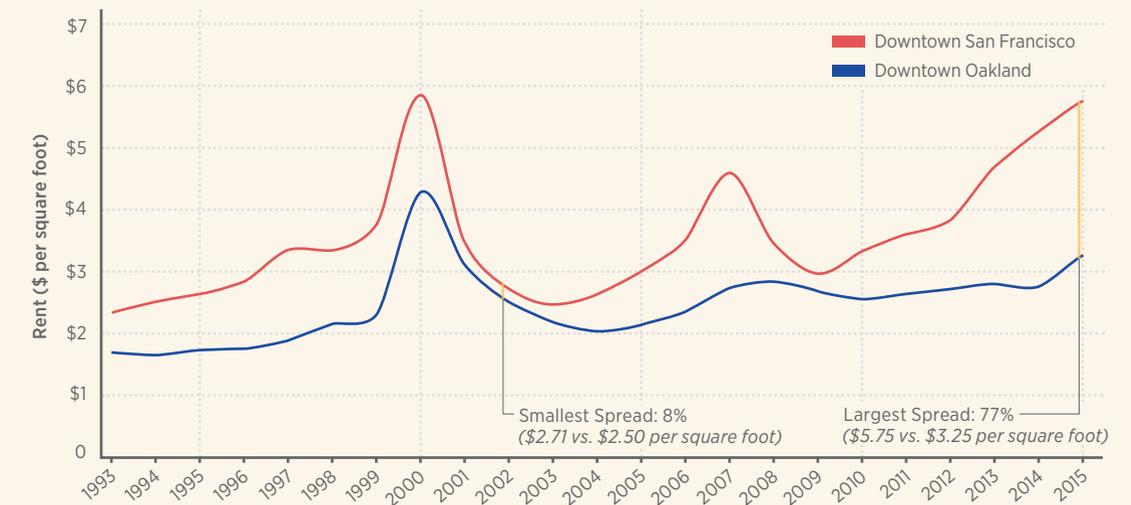
## Why It's Hard to Develop Office Buildings in Oakland

FIGURE 8

### Office Rents in Downtown Oakland and San Francisco

Since 1993, rents in downtown Oakland have ranged from 8.4 percent to 77 percent below rents in downtown San Francisco. They are also typically below what is needed to justify new Class A high-rise construction (which in 2015 is \$5 per square foot per month).

Source: Colliers International.



Downtown Oakland faces challenges in getting new office development, even during booms. Between 2000 and 2015, only one Class A<sup>53</sup> speculative office building was built: 555 12th Street, a 485,000-square-foot, 21-story tower completed in 2002. Its original anchor tenant was Ask.com. A smaller commercial development, the 217,000-square-foot addition to 2100 Franklin Street, was built in 2008.<sup>54</sup> This means that over a 15-year period, downtown saw an increase of only 700,000 square feet of new commercial office space.

Getting major new office development requires three things of a market: a strong tenant base with growing firms, rents that are higher than construction costs, and investors who are willing to lend capital to finance new construction. Each of these is a challenge for downtown Oakland. Here's why:

1. **There are too few potential anchor tenants to reliably fill new buildings.** Downtown Oakland has only a few large firms, such as Kaiser, Clorox and Pandora. Most tenants are typically not large enough, nor are they growing fast enough, to be an anchor tenant for a new office building. This makes it harder to justify building a new speculative building, because it's not clear who will fill the space and how long it will take to secure a tenant. The result is a Catch-22: The small size of the office market makes downtown less desirable for potentially fast-growing firms, but the lack of growing tenants makes it harder to add new space.
2. **Market rents are lower than construction costs.** Construction costs for new Class A space are approximately

\$550 per square foot (as of 2015), which requires rents of \$60 per square foot to be profitable to build. In the middle of 2015, downtown Oakland rents remained below \$45 per square foot.<sup>55</sup> Construction costs reflect the combined costs of land, labor and materials. While land in Oakland is slightly cheaper than in other parts of the region, prices for labor and materials are comparable. Therefore, high-rise office construction in Oakland costs almost the same as in San Francisco, even though rents are as much as 77 percent less in Oakland. Adding to the challenge, strong demand in downtown San Francisco drives up labor costs across the Bay Area, thereby raising the minimum rent bar even higher for new construction in Oakland.

3. **Institutional investors have been wary to lend in downtown Oakland.** Developers can't build without financing. Institutional investors (such as pension funds or major banks) are typically the ones providing capital for major office developments. Many such investors are risk-averse and only want to lend where there is a strong past history of success. Oakland has had few commercial developments, and the last two (in 2002 and 2008) opened to markets where rents were dropping. This makes potential investors view downtown Oakland as a riskier investment that requires an even higher rate of return than more proven markets like downtown San Francisco or the South Bay. Perceptions about public safety and political leadership have impacted investment.

The good news is these historic challenges are changing. If several high-profile tenants sign leases at a competitive rate, market dynamics can shift, increasing confidence among lenders and developers.

<sup>50</sup> See the NYC Business Wizard. Available at: <http://www.nyc.gov/portal/site/businessexpress>

<sup>51</sup> See: <http://www2.oaklandnet.com/oakcal/groups/ceda/documents/webcontent/dowd021845.pdf>

<sup>52</sup> For a list of some of San Francisco's Economic Impact Reports, go to: <http://openbook.sfgov.org/webreports/search.aspx?searchString=&year=2003&year2=2015&type=OEA-1&index=0&index2=7&index3=0>

<sup>53</sup> "Class A" refers to the most prestigious buildings competing for premier office users, with rents above average for the area. Such buildings have high-quality standard finishes, state-of-the-art systems and a definite market presence. Class B buildings compete for a wide range of users, with rents in the average range for the area. Building finishes are fair to good for the area, and systems are adequate. Class C buildings compete for tenants requiring functional space at rents below the average for the area.

<sup>54</sup> See: <http://www.cimgroup.com/investments/2101-webster>

<sup>55</sup> See: <http://www.colliers.com/en-us/oakland/insights>

## RECOMMENDATION 2

### Develop a strategic vision for publicly owned property to serve economic development goals.

*Key implementers: Oakland Mayor's and City Administrator's Offices, Department of Planning & Building, Department of Economic & Workforce Development, Oakland City Council, Peralta Community Colleges, Laney College, Oakland Unified School District, transit operators*

Throughout Oakland, public agencies own more than 10,000 acres of land — that's close to one-third of the city's entire land area.<sup>56</sup> Within downtown alone, there are dozens of acres of publicly owned properties, including office buildings, parking structures and vacant parcels. The agencies that own them include the City of Oakland, Alameda County, the Oakland Unified School District, BART, AC Transit, the Peralta Community College District, the East Bay Municipal Utility District, the Metropolitan Transportation Commission, the University of California Office of the President and other public entities.

For each vacant parcel of public land, the owner has a choice about how best to use it: whether to sell it, develop it for the agency's own needs, look for an outside developer to build on it, or enter into a joint development agreement with a developer. For public buildings, that choice may include whether or not to allow non-public uses within the building.

The City of Oakland is already working to reposition some of its public land, such as the Henry J. Kaiser Convention Center and 1911 Telegraph Avenue. In both cases, the city has used its property to further economic development goals, catalyzing new hotel development and reopening a performing arts venue.

The large amount of public land and property in downtown Oakland offers a major opportunity to achieve broader goals. As such, we recommend the following:

- **The city should work to craft a unified strategy for the disposition and development of public land across all public agencies.** The city should make thoughtful choices about selling land to raise revenue versus using it to incubate new businesses, build affordable housing or accomplish other social goals.<sup>57</sup> It should also convene other public agencies that own land in downtown Oakland, such as BART and Alameda County, to coordinate strategic decisions about the sale or development of these lands.

<sup>56</sup> Note: This is calculated based on land parcels and includes park space. Au, Carline. *City of Oakland Public Lands Policy: A Call to Create Complete Communities*. Professional report submitted in partial satisfaction of the requirements for the degree of Master of City Planning in the Department of City and Regional Planning at the University of California, Berkeley. Spring 2015.

<sup>57</sup> Using public land for economic development has been successfully deployed by the New York City Economic Development Corporation. Over 24 years, this quasi-public entity has sold or otherwise reshaped properties as part of a long-term strategy that goes beyond traditional approaches. It has developed properties for new use types, sold off properties to add to the city's tax base and used land to create incubators and other platforms that enable business formation and growth.

- **The city should create a map of all publicly owned land throughout downtown.** Specifically, the Planning Department should add a task to the Downtown Specific Plan (see sidebar on page 38) to map all publicly owned land and to summarize known plans by select agencies, such as the Alameda County Real Estate Master Plan.<sup>58</sup>
- **Proceeds from the sale of public land should pay for one-time uses, not for funding general city services.** While it is tempting to use the proceeds of land sales to plug budget holes, such uses of revenue only provide temporary budget relief and do not account for future funding needs. Instead, public agencies should use proceeds for one-time investments, such as new infrastructure or adding to the city's Affordable Housing Trust Fund.
- **Where possible, public agencies should enter into joint development agreements for the redevelopment of their public lands.** Entering into a long-term ground lease with the developer, while retaining ownership, allows the public agency to receive lease payments in perpetuity.<sup>59</sup> The city is using this approach in the redevelopment of the Henry J. Kaiser Convention Center.
- **Development on public land should support public benefits and the long-term vision for downtown.** Public agencies should take a long-term view of the value of their assets, making them part of a strategy to support job and business growth and help retain the organizations and businesses that make downtown Oakland unique. The city is taking this approach on the remaining parcels at City Center, where it is expecting developers to add an office building or hotel to support the long-term needs of downtown.
- **Public agencies should establish a transparent process for the disposition of public land.** Whether or not a public agency sells its land or enters into a long-term ground lease, it is essential that the process for disposition is clear and uses fair and objective criteria in determining whether to sell or lease as well as whom the agency should partner with for joint development.
- **Agencies should consider bringing outside tenants into public buildings to provide revenue and enhance public services.** For example, the city should undertake a study at 250 Frank Ogawa Plaza to determine how much space it really needs to conduct its business. If some functions could be consolidated onto other floors, the city should try to make an entire floor available to outside businesses or organizations, such as a business incubator. Similarly, the University of California Office of the President could create business accelerators in Oakland, in partnership with its academic departments at UC Berkeley.

<sup>58</sup> See: <http://www.acgov.org/government/documents/acremp.pdf>

<sup>59</sup> The San Francisco Municipal Transportation Agency undertook a study to explore the value of its real estate assets and the potential for ground leases. See: [https://www.sfmta.com/sites/default/files/The%20SFMTA%E2%80%99s%20Real%20Estate%20and%20Facilities%20Vision%20for%20the%2021st%20Century\\_0.pdf](https://www.sfmta.com/sites/default/files/The%20SFMTA%E2%80%99s%20Real%20Estate%20and%20Facilities%20Vision%20for%20the%2021st%20Century_0.pdf)



## RECOMMENDATION 3

### Create alignment between the education and workforce systems to help students and workers get on pathways to good job opportunities downtown.

*Key implementers: Oakland Mayor's and City Administrator's Offices, Department of Economic & Workforce Development, Oakland Metropolitan Chamber of Commerce, Peralta Community Colleges, Laney College, Oakland Unified School District, nonprofit stakeholders and training providers*

The growth of downtown will create thousands of new job opportunities in occupations ranging from construction to building maintenance to tech support to retail to office jobs such as accounting. Many of these jobs will not require a college degree.<sup>60</sup> A critical component of ensuring that downtown welcomes everyone is to make sure that those who seek better jobs can access this wide spectrum of opportunities. This calls for first creating more job opportunities, and then building pathways

<sup>60</sup> Terplan, Egon et al. *Economic Prosperity Strategy: Improving economic opportunity for the Bay Area's low- and moderate-wage workers*. October 2014. Available at: <http://www.spur.org/publications/spur-report/2014-10-01/economic-prosperity-strategy>

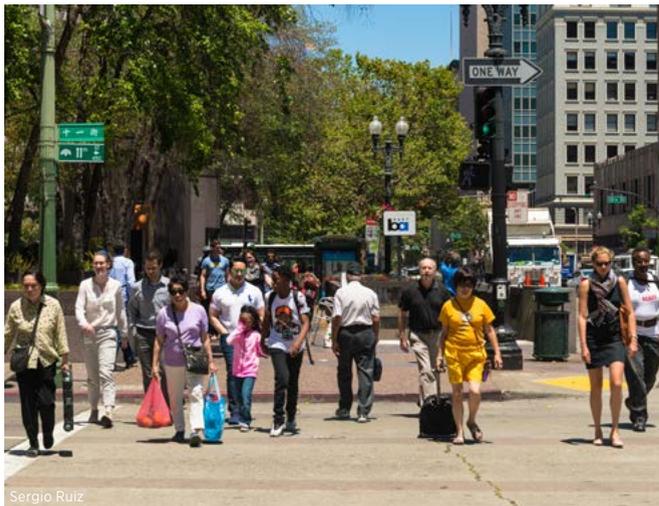
Downtown Oakland has a large amount of publicly owned land, such as the city-owned lot at 1911 Telegraph Avenue (in the foreground, above). The city can strategically use these sites to encourage new buildings that will help meet its economic development goals.

from schools and technical programs to workplaces. To achieve the second step, Oakland should better align its education and workforce systems and remove barriers that make it hard to transfer credits from one program to another. Oakland schools can provide an opportunity by implementing programs that integrate work-based learning with rigorous academics.<sup>61</sup> This integrated workforce and education vision is already underway, and SPUR's recommendation here is to further its implementation.

The goal is to give any student or worker the skills and networks necessary to get a job with career advancement and living wages. Helping Oaklanders to prosper means improving the chances that someone who starts in a lower-wage job will be able to move up to a high-paying one as there are openings, such as from bank teller to personal banker to insurance sales agent.<sup>62</sup>

<sup>61</sup> See: <http://linkedlearning.org/about>

<sup>62</sup> This pathway would increase average wages from \$15 for the teller to \$19 for the personal banker to \$35 for the insurance sales agent. Source: Burning Glass data analyzed by Jobs for the Future as part of JPMorgan Chase/New Skills at Work report. See: *Strengthening the Bay Area: Building a Middle-Skill Workforce to Sustain Economic Growth and Expand Opportunity*. May 2015. Available at: <http://www.jpmorganchase.com/corporate/Corporate-Responsibility/document/54841-jpmc-gap-san-francisco-aw7.pdf>



All workers should be able to access good jobs in downtown Oakland. Accomplishing this will mean building a seamless education and workforce training system that connects directly with employers.

Many in Oakland and the East Bay are working to establish a better aligned and more comprehensive workforce training system, including Oakland Unified School District's Linked Learning programs and the East Bay Career Pathways Consortium, which connects the K-12 system with community college districts, workforce investment boards and industry partners.<sup>63</sup> The City of Oakland has its own workforce investment board, which focuses on providing training funds for Oakland residents. There are also dozens of nonprofit and community-based organizations and programs, such as the Private Industry Council, the Unity Council, the Urban Strategies Council, the YMCA of the East Bay, the East Bay Asian Youth Center, the Stride Center and others.

We recommend greater collaboration among these groups so that the various institutions and programs leverage each other and do not duplicate efforts. We also recommend that workforce programs train students in skills that will lead to jobs in downtown Oakland, in fields such as information communications technology, professional services, law, engineering, retail and government.

To ensure that young people across the inner East Bay have access to education and workforce training systems that best prepare them for jobs and careers, two things are critical. First, employers need to be at the table helping to define curriculum and work-based learning, so that job seekers end up with the skills employers want. The Oakland Metropolitan Chamber of Commerce is one of the institutions that should help articulate the expectations and needs of employers to the workforce training system. Other organizations, such as the Private Industry Council, also have a role in facilitating partnerships with employers.

Second, all the components of the education and workforce system must align resources and coordinate their programs so that students face no barriers when moving from one program or school to another. Training received in one program should be recognized by another program. Many jobs now require workers to have industry-recognized certificates, such as the CompTIA Network+ certificate for people who seek to become network administrators. An effective workforce system will help job

<sup>63</sup> See: <http://www.ousd.k12.ca.us/linkedlearning> and <http://web.peralta.edu/ccpt>

seekers acquire such industry-recognized certificates that are both “portable” (i.e., can be used anywhere) and “stackable” (i.e., can be achieved in the short-term and then added to later for a more advanced job).<sup>64</sup>

For students, a successfully aligned system would begin with career exploration activities in elementary school, from field trips to project-based learning in the classroom. In high school, students would have access to contextualized learning, where the assignments and activities have real world application, as well as work-based learning opportunities, such as mentoring, job shadowing and internships (ideally paid). Students would also have access to college courses, so they could graduate high school with some college credit. Through this process, they'd gain a clear understanding of what a career pathway looks like. For example, they'd know what steps are necessary to secure a well-paying job in information communications technology and digital media, public service and law, health and biosciences, or engineering and advanced manufacturing. Oakland's Measure N provides \$13 million per year for Linked Learning from a \$120 parcel tax and is a citywide funding source to implement these ideas.<sup>65</sup>

For employers, this aligned system would enable everything from hiring a recent community college graduate to finding a high school intern to facilitating a field trip for a third-grade class. Employers typically want to be good community partners and often field calls from organizations seeking to place students in internships or requesting that they hire locally. To streamline the process, every mid-sized or large employer in downtown should be able to find great interns and employees through one entity (such as the Chamber of Commerce or the city's workforce investment board) that serves as a hub for the various existing programs and services.<sup>66</sup>

A better-aligned and integrated system could also help downtown employers with succession planning. For example, public sector employers like BART are actively looking to identify replacement workers as the Baby Boom generation retires. Students in Oakland public schools and community college programs should be made aware of good job opportunities in such agencies, and employers should be able to work with schools and community colleges to prepare students to fill these jobs as workers retire and positions become available.

The City of Oakland has been developing this approach through its summer jobs program. The “jobs squad” mentioned in Recommendation 1 could help employers find appropriate employees or interns. It could also help create paid and unpaid internship programs, as well as a service learning program. Colleges and nonprofits could help identify and work with students who are seeking internships and provide applicants with the tools to make sure they apply as compelling candidates. ○

<sup>64</sup> See: <http://www.jff.org/sites/default/files/publications/materials/Portable%20Stackable%20Credentials.pdf>

<sup>65</sup> See: <https://www.irvine.org/blog/oakland-passes-funding-measure-for-linked-learning>

<sup>66</sup> While it is important that Oakland residents access good local jobs, downtown serves as a regional employment center. Residents of other communities should also be able to connect to downtown jobs through other workforce investment boards (such as for Alameda and Contra Costa counties).

## BIG IDEA 2

# Bring 25,000 more residents to downtown at a range of incomes, and enable existing residents to remain.

Downtown Oakland has more than 20,000 residents spread across several distinct neighborhoods.<sup>67</sup> Downtown should set a goal to more than double its population over the next 25 years. This goal is based on the Association of Bay Area Government's growth projections for downtown Oakland<sup>68</sup> combined with SPUR's analysis of the capacity of vacant and underbuilt land for development potential. (See page 19.) This is equivalent to adding about 588 new housing units per year (based on 1.7 residents per unit), or four projects like the Ellington, the 16-story housing development at 3rd Street and Broadway.

Some downtown neighborhoods, such as Chinatown and the Lakeside/Gold Coast area, have had residential populations for many decades. Other areas, like Uptown, Old Oakland and portions of Jack London, have added thousands of residential units in the years following former Mayor Brown's 10K Plan.<sup>69</sup>

The 10K Plan succeeded in bringing energy and activity to downtown. But some areas still suffer from a lack of people and amenities. We should continue to build on 10K's success. Adding more housing and more residents in downtown will make the area even fuller and more active, particularly during evenings and on weekends. This will increase local amenities and public safety. Over time it will

<sup>67</sup> This estimate is based on the U.S. Census American Community Survey 2009 – 2013 five-year estimates. We totaled the population living in the census block groups that mostly closely align with our definition of downtown.

<sup>68</sup> ABAG expects the Downtown Oakland Priority Development Area to grow to more than 45,000 residents by 2040. See: ABAG PDA Showcase. Available at: <http://gis.abag.ca.gov/website/PDAShowcase>

<sup>69</sup> See: <http://www2.oaklandnet.com/oakca1/groups/ceda/documents/webcontent/dowd021842.pdf> for a map and list of 10K housing projects in downtown Oakland through August 2010.

also help boost the growth of retail, a critical gap citywide and particularly downtown.

Both in downtown and throughout the city, adding more housing for all income levels is essential. Without new supply, prices for existing housing will continue to rise rapidly, as home seekers with higher incomes outcompete those with lower incomes. The rapid increase in prices throughout Oakland between 2012 and 2015 is evidence of how affordability decreases — and displacement pressures increase — when demand is strong and there is virtually no new housing built. Building new housing at a variety of price points throughout downtown will allow new people to move downtown without cannibalizing as much of the current housing stock.

To achieve our vision of a mixed-income downtown, many of the new homes and apartments must be priced below market rate. The best way to deliver a large number of housing units that are permanently below market rate is to use public resources to pay for the construction of new affordable housing and to subsidize the housing costs for people at various income levels. But downtown housing should not just be for new residents. Throughout this process, it will be essential to make sure that existing residents are able to stay and participate in the evolution of downtown.<sup>70</sup>

<sup>70</sup> See the 2015 PolicyLink and City of Oakland report *A Roadmap Toward Equity: Housing Solutions for Oakland, California*. Available at: [http://www.policylink.org/sites/default/files/pl\\_report\\_oak%20housing\\_070715\\_0.pdf](http://www.policylink.org/sites/default/files/pl_report_oak%20housing_070715_0.pdf)



Sergio Ruiz

## RECOMMENDATION 4

### Ensure sufficient capacity for new housing and improve amenities to attract new residents.

*Key implementers: Department of Housing & Community Development, Department of Planning & Building, Department of Economic & Workforce Development, Oakland Police Department, community benefit districts*

To attract 25,000 more residents to downtown Oakland means adding close to 15,000 additional housing units, close to triple what was achieved by the 10K Plan. To make this amount of residential growth a reality, downtown must continue to be a great place to live, with better parks, strong ground-floor commercial activity and a more attractive public realm. Investments and partnerships in those areas can attract more residents and visitors to downtown. In particular, the downtown community benefit districts have a major role to play in making downtown an enjoyable place to live and visit by supporting and planning events and activities as well as maintaining and improving the quality of public spaces.

A key action the city can take to facilitate residential growth is to make sure its plans include sufficient zoning to

Encouraging taller buildings downtown, such as the Pacific Renaissance Plaza in Chinatown, will help Oakland meet its housing needs. Meanwhile, investments like pedestrian-focused “scramble” intersections make downtown more attractive to residents.

enable an additional 25,000 residents, or 15,000 units. Up to 4,900 additional housing units are allowed in the Lake Merritt Station Area Plan (the majority of which fall within SPUR’s definition of downtown Oakland), and another 1,030 are allowed in the Valdez Triangle portion of the Broadway/Valdez District Specific Plan.<sup>71</sup> At least 9,000 units should be permitted in the Downtown Specific Plan, a much bigger area that includes all of Jack London plus Uptown and Old Oakland.<sup>72</sup> If the zoned capacity of the three downtown plan areas does not permit 15,000 total additional units, over time it will be necessary to revisit the allowable zoning in the other plan areas to ensure that downtown has sufficient capacity to grow its residential population.

<sup>71</sup> See: <http://www2.oaklandnet.com/Government/o/PBN/OurOrganization/PlanningZoning/dowd008198> and <http://www2.oaklandnet.com/Government/o/PBN/OurOrganization/PlanningZoning/dowd008194>.

<sup>72</sup> See: <http://www2.oaklandnet.com/Government/o/PBN/OurServices/Plans/oak051133>

## RECOMMENDATION 5

### Enforce current rent protections and experiment with new ownership models to allow existing residents to stay in downtown as it evolves.

*Key implementers: Department of Housing & Community Development, Oakland City Council, Oakland Mayor’s and City Administrator’s Offices*

More than 80 percent of the residents in downtown are renters, far more than the citywide average of about 50 percent.<sup>73</sup> Some renters live in buildings subject to the city’s “rent adjustment ordinance” (i.e., rent control); some live in newer apartments whose rent increases are not controlled by city policy; and some live in permanently affordable housing. Rents in Oakland have increased at among the fastest rates nationwide. The average one-bedroom apartment in Oakland increased in price from \$1,250 at the start of 2010 to over \$3,200 by May of 2015.<sup>74</sup> To afford this average unit, a renter would need to earn a minimum \$125,000 per year on average. This is more than double the existing median income for Oakland.<sup>75</sup>

We believe it is essential to make sure existing residents are able to stay and participate in the evolution of downtown. Residents of downtown and its surrounding neighborhoods bore the brunt of 20th-century freeway construction, urban renewal and disinvestment. Those who have lived through these challenges particularly deserve protection from the pressures of displacement.

Oakland’s existing rent adjustment ordinance is the city’s most significant rent protection policy. The ordinance applies to properties with four or more units that were built before 1983.<sup>76</sup> Units in rent-controlled buildings can only increase at the rate of inflation (measured by growth in the Bay Area’s Consumer Price Index each year). In addition to rent control, Oakland has a “just cause for eviction” ordinance that applies to all properties regardless of year of construction. Before they can evict tenants, landlords must provide a “just” cause, such as failure to pay rent, breach of lease or extensive damages.

These existing rent protection laws alone are insufficient to maintain the affordability of rental units in downtown over time. When tenants move out of existing rent-controlled housing, the rent a landlord can charge for that unit goes up to the market price. In many cases, the new rent charged would not be affordable to the resident who is leaving. Over time, this means that existing units will house residents of higher and higher incomes, and there will be fewer units where lower-income residents are living. The reality of rapidly rising rents also means that many existing tenants cannot afford to relocate as their needs change.

<sup>73</sup> Source: SPUR analysis of U.S. Census data, 2010.

<sup>74</sup> See: <https://www.rentjungle.com/average-rent-in-oakland-rent-trends>

<sup>75</sup> Standard calculations of housing affordability are based on a resident paying no more than 30 percent of his or her income in rent.

<sup>76</sup> Properties of three or fewer units where the landlord has had his or her primary residence for more than one year are not covered by the rent adjustment ordinance. See: <https://www.tobenerlaw.com/oakland-rent-control>

As rents go up in an environment with very tight supply, lower-income residents sometimes have to move to housing of the lowest quality, because those are the only units that remain affordable. These units can sometimes pose public health concerns or safety risks.

Given this reality, we have two recommendations to make sure that as many current residents as possible can stay in downtown and have access to decent housing.

First, the city should strengthen its rental housing enforcement to make sure that the existing rent protection laws, including just cause eviction protection, are followed. We recommend the following:

- **Increase funding for Oakland’s rent board to allow it to be more proactive in inspecting properties and enforcing rent protection laws.** (Currently, enforcement is complaint-driven.) The City of Sacramento took this approach by establishing a Rental Housing Inspection Program and saw housing and dangerous building cases fall by 22 percent between 2008 and 2013.<sup>77</sup>
- **Establish a strong data system within the City of Oakland to identify and track changes to the rent-controlled housing stock, as well as to the overall amount of traditionally lower-priced housing.**
- **Conduct a review of the city’s enforcement capacity.** The city should review its ability to enforce its existing tenant laws. If such a review determines deficiencies, it will be necessary to strengthen or expand enforcement capacity.

Second, we encourage the city, in partnership with nonprofit housing groups, to explore efforts to purchase existing apartment buildings and manage them in a way that keeps the units affordable over time. In particular (as described in Recommendation 6), we support efforts to secure major funding for a building acquisition program, such as through proceeds from a housing bond or other revenue source. We believe acquiring existing buildings and converting them to deed-restricted affordable housing units is an appropriate use of affordable housing funds. Oakland could take an approach similar to San Francisco’s Small Sites Acquisition Program, which was seeded with city funds.<sup>78</sup> The overall concept is that a nonprofit or community land trust purchases existing rental property and becomes the landlord. (For example, a community land trust successfully won an auction bid to purchase the Pigeon Palace apartment building in San Francisco’s Mission District on behalf of the existing tenants.<sup>79</sup>) As tenants move out, the nonprofit or land trust keeps the rent at the same below-market rate and makes the unit available to others who qualify based on their income level. The model could apply to buildings of any age, not just buildings built before 1983 that are subject to Oakland’s rent adjustment ordinance.

<sup>77</sup> *A Guide to Proactive Rental Inspection Programs* (ChangeLab Solutions, 2014). Available at: [http://changelabsolutions.org/sites/default/files/Proactive-Rental-Inspection-Programs\\_Guide\\_FINAL\\_20140204.pdf](http://changelabsolutions.org/sites/default/files/Proactive-Rental-Inspection-Programs_Guide_FINAL_20140204.pdf)

<sup>78</sup> See: <http://sfmayor.org/index.aspx?recordid=653&page=846>

<sup>79</sup> See: <http://missionlocal.org/2015/06/victory-for-pigeon-palace-tenants-in-court-auction>

## RECOMMENDATION 6

### Secure a large amount of funding for affordable housing from a wide variety of sources, and pursue a range of strategies for households at different income levels.

*Key implementers: Oakland Mayor's and City Administrator's Offices, Department of Housing & Community Development, Department of Planning & Building, Department of Economic & Workforce Development, Oakland City Council*

Housing is considered “affordable” when a household is paying no more than 30 percent of its total income in housing costs. In the Bay Area, we believe subsidizing the cost of housing is necessary for a wide range of incomes, as so many households cannot afford market-rate rents or home prices. SPUR has long supported expanding investment in and funding for affordable housing.<sup>80</sup> The following are our recommendations for downtown Oakland:

- **Expand funding for permanently deed-restricted affordable housing for very low income residents.** Many existing subsidies, particularly the low-income housing tax credit, target households who earn up to 60 percent of the area median income (just under \$56,000 per year for a family of four). Deed restricted housing has price limitations that make the housing affordable to residents who earn up to a certain income threshold. We believe in expanding the overall investment in housing that has permanent deed restrictions and is affordable to the very low income households in downtown Oakland.
- **Consider policies targeted toward households earning above 60 percent of area median income.** Because housing in the Bay Area is so expensive, we believe it is appropriate for affordable housing policies and programs to also serve households at or near the area median income (\$92,900 for a family of four in Alameda County) who are still not able to afford market housing prices. There are a number of creative ways to help this population, including encouraging secondary or “in-law” housing units, making units more affordable by design, providing down payment assistance for first-time homebuyers and/or instituting inclusionary zoning policies.<sup>81</sup>
- **Increase citywide funding sources.** Oakland should expand its Affordable Housing Trust Fund by securing funding from a parcel tax, real estate transfer tax or other land-based funding mechanism. The city could also explore passing a local housing bond, which would be financed by property taxpayers throughout Oakland.

<sup>80</sup> See: <http://www.spur.org/publications/spur-report/2002-08-02/san-francisco-s-affordable-housing-bond> and <http://www.spur.org/publications/spur-report/2014-02-11/8-ways-make-san-francisco-more-affordable>

<sup>81</sup> See SPUR housing recommendations: <http://www.spur.org/publications/article/2014-02-11/how-make-san-francisco-affordable-again>



Courtesy Pyatok, photo by Ted Rzad

Downtown needs more permanently affordable housing, like the 73-unit Harrison Street Senior Housing project.

Funds from housing bonds can be spent either building new affordable housing or acquiring and rehabilitating existing housing, as discussed in Recommendation 5.

- **Explore regional funding solutions.** Oakland should also work with other cities in the Bay Area to pass a major regional bond that provides funding for affordable housing. Alternatively, the city could pursue state legislation that charges a tax or fee on jurisdictions that do not build the amount of affordable housing they are required to provide under the Regional Housing Needs Assessment. Oakland has built far more affordable housing than other jurisdictions in Alameda County. Since it is willing to continue adding to its stock of affordable housing, Oakland should receive investment from jurisdictions that are unwilling to accept their regional share of affordable housing.

For a number of years, the policy discussion about affordable housing in Oakland has focused on whether new residential development can or should be required to pay a fee and/or include some percentage of affordable housing. We believe this approach might be appropriate for parts of Oakland (and we address the issue of impact fees in Recommendation 7). While these tools are worth exploring, the total amount of affordable housing that can be generated this way is small compared to the need. This means that Oakland cannot put the majority of the burden on new development and will need to find other ways to pay for affordable housing. ☀

## BIG IDEA 3

# Set clear and consistent rules for growth to make downtown a better place for everyone.

Downtown is already starting to grow and change. Developers are planning thousands of new apartments. Commercial rents are rising, and new office development will soon be justified. Meanwhile, the Bay Area's population is expected to grow by 70,000 people per year.<sup>82</sup> From a regional perspective, we need to absorb this growth in the most graceful and sustainable way possible, and we believe putting jobs and housing in downtowns,

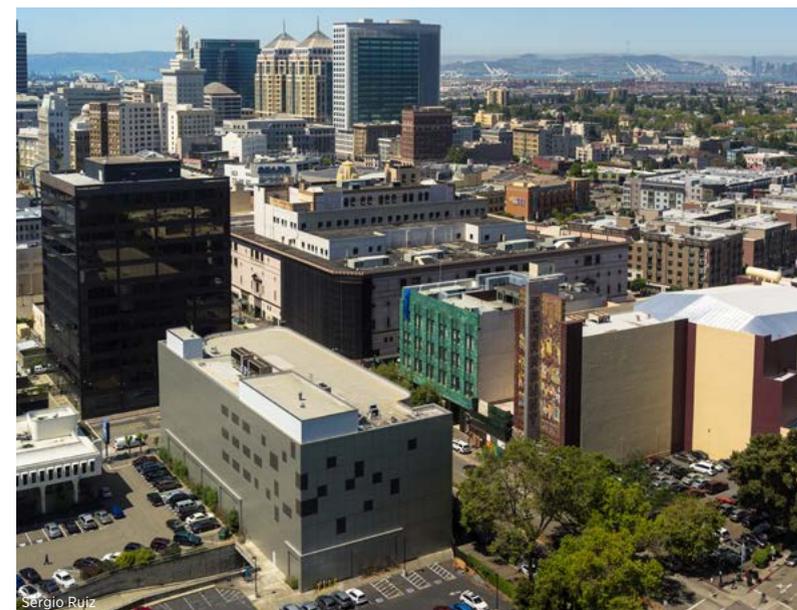
<sup>82</sup> This is based on the region adding 2.1 million people between 2010 and 2040. Source: Plan Bay Area 2040. Available at: <http://planbayarea.org/file10044.html>. Note that in some years, the region's population growth is greater, as the Bay Area added 100,000 people from 2013 to 2014. See: <http://ww2.kqed.org/news/2015/03/26/youre-not-crazy-the-bay-area-is-getting-way-more-crowded>

near transit and other amenities, is the best way to accomplish this.

To add 25,000 new residents and 50,000 new jobs, downtown Oakland will need a lot of new development. But new development has not always been good for downtown. Some past efforts (like City Center) wiped out existing areas with the promise of new development that took decades to arrive.

Today's planning efforts must do better. They must take into consideration the needs of the community as well as the financial realities of development. They must make it possible for a mix of uses to thrive, from housing and nightlife to offices and industry. They must embrace the historic fabric of the past while providing for the needs of the current day — and preparing for the future.

Creating clear rules for new development supports these varied goals. Rules give existing residents and organizations certainty about what benefits the community will receive from new development. They give developers clarity on what is expected of them and make the entitlement process more straightforward, leading to both more and better development. They set practical steps for achieving ambitious long-range goals like reducing carbon emissions and increasing the employment rate. Big Idea 3 is about getting that clarity and consistency so that downtown grows in a way that works for everyone.



Sergio Ruiz

# How Specific Plans Create Consistent Rules and Improve Neighborhoods

California state law requires all cities to prepare a citywide general plan to guide growth over time. After the city adopts the general plan, it can prepare specific plans for individual areas to help implement the goals of the general plan.

The Downtown Oakland Specific Plan is an opportunity to make significant improvements to downtown by engaging a wide range of people in a conversation about the future, by setting appropriate rules for new development and by marketing the area to the broader community.<sup>83</sup>

A specific plan provides three key benefits for a neighborhood and city.

- 1. It establishes a process for the community to define what it wants to see in its neighborhood.** The process of developing a specific plan is an opportunity to engage the broad constituencies of downtown into thinking long-term about the place. By showing how concerns are being addressed, the process can help build community support for development.
- 2. It provides clear rules and makes growth more predictable.** Specific plans provide certainty for developers and community activists by laying out the rules and expectations. The rules can address a wide range of issues, such as development fees, the heights of buildings or the allowable uses on a parcel of land. Specific plans can also secure environmental clearance to build, removing the need for property owners to undertake separate environmental impact reports for each project. The Lake Merritt Station Area Plan and the Broadway/Valdez District Specific Plan are examples of neighborhood plans that established rules while shaping new development in accordance with a community vision.<sup>84</sup> After the Broadway/Valdez District Specific Plan was passed, it took only three months for a developer to get entitlements for a 435-unit apartment complex at Broadway near I-580.<sup>85</sup>

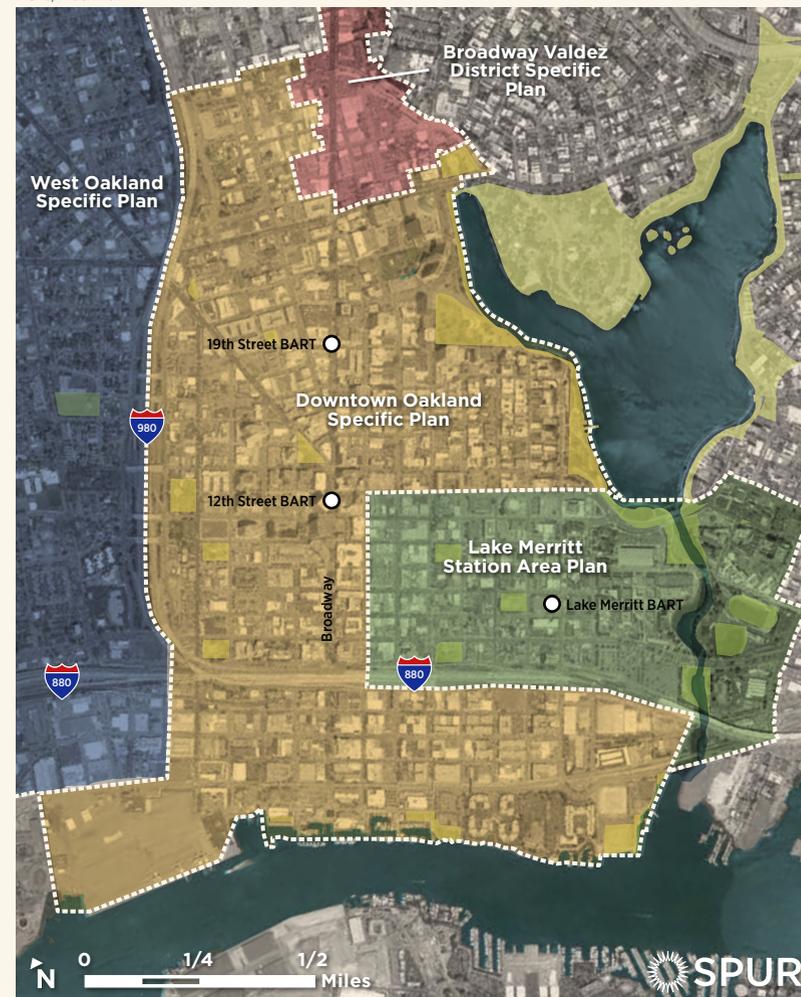
- 3. It is a marketing tool that can be used to attract investment to the area.** When combined with an implementation plan, a specific plan identifies how much growth can take place and how to fund the community's proposals and ideas, such as new parks and infrastructure. The city and other stakeholders, such as brokers and community benefit districts, can use the specific plan to interest people in building or investing in an area because the plan clarifies what changes will take place over time.

**FIGURE 9**

## City of Oakland Specific Plans Near Downtown

The city is using specific plans as a tool to guide development in downtown, West Oakland and the Broadway Valdez District, as well as around the Lake Merritt BART station.

Source: City of Oakland. Map by Perkins and Will. <http://www2.oaklandnet.com/Government/o/PBN/OurServices/Plans/index.htm>



<sup>83</sup> See: <http://www2.oaklandnet.com/Government/o/PBN/OurServices/Plans/OAK051133>

<sup>84</sup> See: <http://www2.oaklandnet.com/Government/o/PBN/OurOrganization/PlanningZoning/DOWD008198> and <http://www2.oaklandnet.com/Government/o/PBN/OurOrganization/PlanningZoning/DOWD008194>

<sup>85</sup> See: <http://www.bizjournals.com/sanfrancisco/blog/real-estate/2015/01/developers-build-oakland-auto-row-broadway-valdez.html>

## RECOMMENDATION 7

**Set financially feasible impact fees in order to maximize revenue while enabling new investment to take place.**

*Key implementers: Department of Planning & Building, Department of Economic & Workforce Development, Oakland City Council, Oakland Mayor's and City Administrator's Offices, Department of Transportation*

Ever since the passage of Proposition 13 in 1978, California cities have charged fees on new development to pay for public needs, from streets to parks to affordable housing. Proposition 13 not only reduced property taxes and total public revenues throughout California, it also limited local communities' ability to adjust their property tax in the future to meet community needs.

One funding tool cities use now is the impact or development fee, a one-time payment developers make to the city in exchange for permission to build. These fees can be applied to mitigate a new development's impact on the sewer or transportation system, or they can go toward other public benefits like child care or affordable housing.

Oakland is in the process of creating a citywide impact fee program, but the path forward is a hard one. Under state law, the city has to conduct a nexus study to determine the legally allowable limit for fees based on the relationship (or nexus) between the development (such as new market-rate housing) and the need (such as increased sewer use or affordable housing). But even if the nexus study clears the way to allow a particular fee level, charging that fee may make new development infeasible. Oakland's impact fee process consists of three aspects: a nexus analysis to determine the fee ceiling, an economic feasibility analysis to understand market viability and an effort to develop support across stakeholders.

We think it's best to treat impact fees as a technical exercise, not a question of ideology. Through careful economic analysis, Oakland should determine how high fees can go and how quickly they can be phased in without making development economically infeasible.

As noted previously, Oakland's downtown has experienced very little development in recent decades. Yet, as rents rise and rehabilitation projects succeed, new construction becomes increasingly feasible. It's important to ensure that impact fees reflect what the market is willing to bear — and that they keep up as this changes. The economic feasibility analysis can be updated on a periodic basis, allowing impact fees to rise over time as the market gets stronger.

Any assessment of impact fees should take into account the fact that Oakland already has a higher property tax than other cities. It also charges landlords a tax of \$13.95 for each \$1,000 in gross rental income, a tax that adjacent cities do not have. (San Jose has a similar tax that is lower.)<sup>86</sup>

<sup>86</sup> See: [http://www.oaklandnet.com/government/fwawebsite/revenue/revenue\\_faqbiztax.htm](http://www.oaklandnet.com/government/fwawebsite/revenue/revenue_faqbiztax.htm)

To further improve receptivity to a new fee program, the city should establish a clear start date. Impact fees should not apply to any projects that were entitled previously, in order to avoid changing the economics of existing deals. While fees should typically apply equally to all development of a certain use (such as office or housing), if Oakland decides to impose new fees on development it should explore the possibility of charging different fees in different parts of the city, given the differences in market conditions. An impact fee for residential development in downtown Oakland will most likely not be appropriate for East Oakland. For properties that have multiple developers over time, the city should create expenditure plans so that each developer can pay their fair share, thus ensuring that the first developer doesn't bear the whole cost.

## RECOMMENDATION 8

**Take a market-oriented approach to land use decisions in most of downtown, but hold out for office uses near BART and maintain industrial uses in Jack London.**

*Key implementers: Department of Planning & Building, Department of Economic & Workforce Development*

We believe downtown should have a mix of uses, and we are generally agnostic about where they go. For the most part, we recommend deferring to the market to decide what uses are feasible in any given place. Doing so will spur new development because it allows developers to phase in uses as they become economically viable. However, it's important to make two exceptions: one to account for the delay in market viability of office uses, and one to account for the differential in rents and land values between industrial and residential uses. Below we outline why these exceptions matter and how to incorporate them into policy.

As a transit-rich urban center, downtown should serve as a major job hub for the East Bay and eventually the entire Bay Area. Studies show that where people work exerts a stronger impact on their commute behavior than where they live.<sup>87</sup> People whose jobs are within a half mile of transit are far more likely to take transit to work than people who only live within a half mile of transit. To ensure space for jobs and increase transit use, we recommend that Oakland reserve key land parcels within a half

<sup>87</sup> MTC's 2006 analysis of Alameda County determined that residents whose jobs were within half a mile of rail or ferry transit but lived farther away took transit to work 38 percent of the time. If they lived within half a mile of rail or ferry transit but worked farther away, they only took transit to work 5 percent of the time. See: MTC, "Characteristics of Rail and Ferry Station Area Residents in the San Francisco Bay Area." September 2006. Available at: <http://dataportal.mtc.ca.gov/characteristics-of-rail-and-ferry-station-area-residents-in-the-san-francisco-bay-area-evidence-from-the-2000-bay-area-travel-survey.aspx>



Sergio Ruiz

To make sure downtown has enough room for future job growth and makes best use of its transit infrastructure, large empty parcels right near BART, such as this site at 12th and Broadway, should be developed as offices, not housing.

mile of regional transit stops for office development.<sup>88</sup> While developers build the housing that's viable right now, this strategy will ensure that downtown ultimately has a mix of uses.

One way to reserve office sites for the long run is to consider interim uses on vacant land that would be appropriate for future office buildings. For example, Oakland could permit temporary uses such as food truck parking or retail and restaurants in shipping containers on vacant parcels near BART. After removing the Central Freeway through Hayes Valley, San Francisco planned for housing on the newly empty land, but the Great Recession intervened. The city allowed temporary pop-up retail in shipping containers, which helped bring activity and attention to the neighborhood until the recession ended and development could begin. Interim uses are a form of land banking that does not preclude better uses of the land over time.

Industrial land uses can't compete economically with residential and office uses and therefore deserve special consideration from a zoning and planning perspective. Only a small portion of Oakland's historically industrial land falls within the downtown boundaries, and most of that is concentrated in Jack London. Preserving land zoned for industrial uses ensures a diverse supply of jobs downtown. Industrial enterprises in downtown Oakland and adjacent areas benefit from proximity to the Port of Oakland, Northern California's major port, and are a significant source of middle-wage jobs for workers without a four-year degree. We recommend that the rezoning of Jack London identify some areas that are restricted to industrial uses so that such uses remain viable and are not in competition with housing and office development.

<sup>88</sup> The issue of reserving space for office development near transit is also an issue in downtown San Jose, where the residential market has been much stronger than the office market. See: <http://www.spur.org/blog/2015-05-07/market-brings-housing-not-jobs-downtown-san-jose> and <http://www.spur.org/publications/spur-report/2014-03-17/future-downtown-san-jose>

## RECOMMENDATION 9

### Establish minimum densities for new development.

*Key implementers: Department of Planning & Building, Department of Housing & Community Development*

Downtown Oakland can and should aspire to be a dense and walkable environment, with 50,000 more jobs and 25,000 more residents by 2040. Building low-rise or medium-rise development in prime locations may be attractive in the short term and to kick-start new development while the market is still emerging. However, keeping the long view in mind and establishing minimum densities will ensure that downtown has room to grow for years to come.

Minimum densities are especially important near regional transit stations. New construction within a half mile of BART (a 5- to 10-minute walking distance) should have the highest density requirements so that we can make full use of downtown's capacity for transit-accessible jobs and homes. A dense mix of office buildings within a 5-minute walk from transit and residential buildings within a 10-minute walk will also produce increased foot traffic for retail, entertainment and nightlife venues.

In setting minimum densities, it's important to acknowledge that there are "break points" in building construction: Beyond certain heights, adding even a few extra floors isn't worth the additional cost. The calculation of break points depends on the cost of different construction materials (such as wood frame versus concrete) and code requirements that are triggered at certain heights. For example, a wood-frame residential building can be built to a maximum of 85 feet if placed on top of a two-story concrete podium. Above 85 feet, the higher construction costs of concrete make it worthwhile to build only if the building is significantly taller, due to the additional cost of building code and life safety requirements. Given the regional importance of downtown Oakland and the increasingly strong residential market, it might be appropriate for Oakland to consider minimum heights in the core of downtown in order to force residential developers to shift to construction types that yield taller buildings (and therefore more units).

## RECOMMENDATION 10

### Update historic preservation rules to ensure the preservation of key buildings while encouraging adaptive reuse and modern development on adjacent properties.

*Key implementers: Department of Planning & Building, Department of Economic & Workforce Development*

Downtown Oakland has many beautiful and historically significant buildings, including the Cathedral Building, the Rotunda and the Kaiser Convention Center. It also has one of the largest intact

collections of architectural terra cotta building facades in the country. Historic buildings help tell the story of the city, and that's why we think it's crucial to preserve them. However, it's equally important that rules about historic preservation are clear and consistent and that a desire to preserve doesn't foreclose on the opportunity to reinvent. While preserving important landmarks, the city should make it easier to adapt, update and, as appropriate, replace its older buildings.

We recommend that the city clarify its historic preservation rules in a way that saves great buildings but does not overly restrict the ability to reuse them or to develop new buildings. We propose the following actions:

- **Improve the existing historic survey of buildings in downtown.** The City of Oakland has a survey of historic buildings downtown, but it could enhance the survey by including information such as historic value, occupancy status and the potential to change the building use, say from commercial to residential. The city could partner with outside organizations to conduct and update the survey. Having an improved survey would clarify to investors and developers what their rights and restrictions are when investing in existing buildings and would provide clear definition to the historic preservation community.
- **Make use of an incentive system (such as a transfer of development rights) for preserving historic buildings.** For example, if the city creates height limits and other density limits in downtown, it could establish a scheme that creates a market for undeveloped air rights above historic properties. Developers could purchase these air rights in order to build taller elsewhere or reduce some other requirement, such as an impact fee. The purchased air rights inject additional money into the historic property, creating a funding source for restoration and preservation.
- **Advocate for passage of a state historic tax credit.** The City of Oakland has been a statewide leader in pursuing a tax credit for historic buildings, which would allow for the seismic upgrades of many historic properties. While the tax credit passed the state legislature, the governor vetoed it. This legislation should be signed so it can be put to use in the rehabilitation of downtown Oakland's historic buildings.
- **Make it easier for developers to adapt existing buildings for new uses, including historic buildings.** Given that the market for new construction remains nascent, adaptive reuse provides a great opportunity for the city to support development. For example, the renovation of existing buildings might be one way to create new Class A or B office space until the office construction market becomes viable. Adapting an existing building incurs two major types of costs: modifications to support current building and safety codes, and upgrades in design and amenities to match market demand. To maximize the benefit of an adaptive reuse strategy, the city should provide broad land use permissions, clearly lay out the permitting process and document all fees to help investors make informed decisions.

## RECOMMENDATION 11

### Continue welcoming entertainment and nightlife in downtown.

*Key implementers: Department of Planning & Building, Department of Economic & Workforce Development, Oakland Police Department, community benefit districts*

As downtown Oakland grows, it will be important to allow both new housing and nightlife. Noise conflicts and other complaints about nuisances are frequent when entertainment spaces and residential properties are either too close together or not well planned. There are several approaches the city can take to avoid these conflicts:

- **Explore amending the planning code to protect entertainment venues** and ensure that they cannot be deemed a nuisance because of new development.
- **Require hearings on proposed residential uses that are near places of entertainment, and require that the residential sponsor participate in the hearing.** The city should require residential property owners to disclose potential noise and other inconveniences associated with nearby places of entertainment to all buyers and tenants. This is an approach employed by the neighboring City of Emeryville.
- **Encourage and permit nightclubs to locate within or adjacent to existing or new office buildings.** One way to allow nightlife to coexist with other uses in a dense downtown setting is to co-locate nightlife venues in office areas that would otherwise be empty at night. For example, nightclubs could be in the basements of office buildings, as they are in Berlin.

Maintaining the viability of nightlife in downtown requires helping venues — from the Fox Theater to small live music spots — avoid conflicts with nearby uses such as housing.



Sergio Ruiz

- **Establish an entertainment commission.** This body would govern the permitting of new nightclubs and entertainment venues and balance the interests of the entertainment and nightlife community, the police and the broader community.<sup>89</sup>

## RECOMMENDATION 12

### Eliminate minimum parking requirements and institute parking maximums over time.

*Key implementers: Department of Planning & Building, Department of Transportation, Oakland City Council, Oakland Mayor's and City Administrator's Offices, Department of Public Works*

Like many cities, Oakland has regulations that require a minimum number of parking spaces to be built with new development, depending on the building's use and location. These requirements are detrimental for downtowns. Not only do they encourage driving, but the parking takes up valuable space that could be used for additional housing units, offices or retail spaces. The city has made great strides to reduce parking downtown. Some of the city's rule changes include requiring only one space per four units for affordable housing and allowing the "unbundling" of parking and housing for developments of 10 or more units (i.e., the parking can be sold or rented separate from the unit). But there are still some minimum parking requirements in downtown.

As downtown Oakland continues to improve its alternatives to driving, requiring parking will be less important. We recommend the following key steps:

- **Eliminate minimum parking requirements:** The city should eliminate both minimum parking requirements and the "in lieu" parking fee for new development (a \$20,000 fee developers must pay for each required parking space they do not provide on site).
- **Set parking maximums:** Over time, the city should set parking maximums in downtown, based on context. For example, the parking code adopted by the City of Sacramento in 2012 differentiates parking requirements across four urban forms: central business/arts and entertainment district, urban, traditional and suburban.<sup>90</sup> Sacramento has completely eliminated parking minimums for the first form — the closest parallel to downtown Oakland.
- **Manage the design of parking:** The city should control the design of any new parking downtown to minimize its visual impact. Wherever parking is built above ground, in the podium of a building, it should never be visible from the street, and the parking structure should be wrapped



Sergio Ruiz  
One way to encourage property owners to develop downtown's many parking lots is to charge a fee on surface parking lots.

with other uses such as retail, office or housing. This not only improves the appearance of buildings, but also helps ensure more eyes on the street.

- **Establish a fee on surface parking:** Charging a fee on surface parking lots downtown acts as a small incentive to encourage the owners of surface lots to either redevelop them into office buildings, housing and other uses or to make them available at night. In Big Idea 5, we recommend a managed parking supply system to better meet demand when the supply of parking is reduced downtown.

## RECOMMENDATION 13

### Set performance targets and standards for downtown, and adjust policies to keep Oakland on track to meet them over time.

*Key implementers: Department of Planning & Building, Department of Economic & Workforce Development, Oakland Mayor's and City Administrator's Offices*

Performance-based planning sets specific goals and then adjusts policies over time in response to their outcomes. We recommend that Oakland establish a set of performance targets that will guide growth and development over time. For example, specific targets could include the proximity of new jobs to regional transit and the percentage of transportation trips that are taken using transit.

To ensure that downtown has the capacity to add 50,000 jobs over time, the city should monitor overall progress toward

this goal while tracking the availability of sites near transit for employment (particularly opportunities to combine adjacent sites, as well as vacant sites that could accommodate buildings of at least 20,000-square-foot floor plates). The analysis could be part of an annual monitoring report.<sup>91</sup>

There could also be performance goals around transit ridership and other non-auto commuting to downtown Oakland. Before significant growth takes place, the city could explicitly decide how many car trips it wants to see in the decades to come compared to a baseline year such as 2010. This broad bottom-line target should then be supported by all the pieces of the puzzle: land use rules, policies to manage parking supply, and improvements to bus service, BART service, walking and biking.

## RECOMMENDATION 14

### Establish a downtown implementation team to coordinate efforts between city departments.

*Key implementers: Department of Planning & Building, Department of Economic & Workforce Development, Department of Transportation, transit operators, Alameda County Transportation Commission, Oakland Mayor's and City Administrator's Offices, Department of Public Works, Department of Parks & Recreation, Department of Housing & Community Development, community benefit districts*

While downtown is an important place with many roles to fulfill for the city, there is currently no mechanism for coordinating the one dozen plus plans and projects that have been recently completed or are in process.

We recommend that the City of Oakland convene a working group across city departments that include Planning & Building, Economic & Workforce Development, Housing & Community Development, Public Works and Transportation. This group should also include public agencies such as AC Transit; BART; the Water Emergency Transportation Agency (WETA), which runs ferries across the bay; and the Alameda County Transportation Commission (ACTC). Finally, the group may want to invite external partners such as the downtown community benefit districts and the Chamber of Commerce.

This group should focus on implementing the city's three specific plans that affect downtown (Downtown, Lake Merritt and Broadway/Valdez), coordinating across the many related planning studies and monitoring investments, projects and developments.

One task of the downtown implementation team should be to establish a transportation management association to help downtown commuters and residents increase their use of transit and other alternatives to solo driving. Transportation management associations (TMAs) work with employers to create programs that reduce driving rates and provide commuter checks. When

downtown San Francisco began to grow significantly in the 1970s and '80s, a group of commercial property owners formed a TMA.<sup>92</sup> Their goal was to provide good alternatives to driving, as well as to create easy access to child-care options. Since that time, downtown San Francisco has remained the region's most transit-oriented employment center, with between 50 and 75 percent of employees arriving on transit and fewer than one-quarter in private automobiles. ☀

<sup>89</sup> San Francisco has an Entertainment Commission that supports and regulates nightclubs and entertainment venues. See: <http://www.sfgov2.org/index.aspx?page=335>

<sup>90</sup> See: <http://portal.cityofsacramento.org/Community-Development/Planning/Current%20Planning/Zoning/Zoning%20Code%20Parking%20Regulations>

<sup>91</sup> After the adoption of the San Francisco Downtown Plan in 1985, the city required an annual monitoring report on activity and progress. Available at: <http://www.sf-planning.org/index.aspx?page=1663>

<sup>92</sup> See: <http://www.tmasfconnects.org>

**BIG IDEA 4**

# Create inviting public spaces and streets as part of an active public realm.

Great downtowns are a pleasure to get around on foot. The sidewalks are comfortable, the streets are clean and feel safe, the ground floors of buildings are inviting, the parks and public spaces are beautiful, the streets are safe to cross, and visitors understand how to get to where they want to go, particularly when they first arrive.

Downtown Oakland has a ways to go to achieve these measures. Too often the ground floors of buildings are blank walls that offer little to no activity. Many of the public spaces remain underused and uninviting, partly due to a lack of maintenance and partly due to amenities that are not well designed (such as playgrounds). Wayfinding is inconsistent and often nonexistent, and for anyone without a strong sense of direction or a deep knowledge of downtown Oakland, it is not clear where to go to find what you need. For those

who arrive downtown via BART, the underground stations and the streets or plazas above them do not show the city at its best.

Yet virtually all of downtown is within a half mile of one of three BART stations. (See Figure 10.) This means that almost all of downtown lies within a comfortable and easy walk from regional transit and suggests that as downtown grows, many more visitors will experience downtown on foot.

To achieve an inviting public realm, we recommend a series of interventions in downtown streets and public spaces. This involves updating urban design regulations and establishing a comprehensive and legible system of wayfinding signage. Improving wayfinding, particularly as part of a larger system of legibility, means Oakland residents might discover something new about downtown that they can share with others.

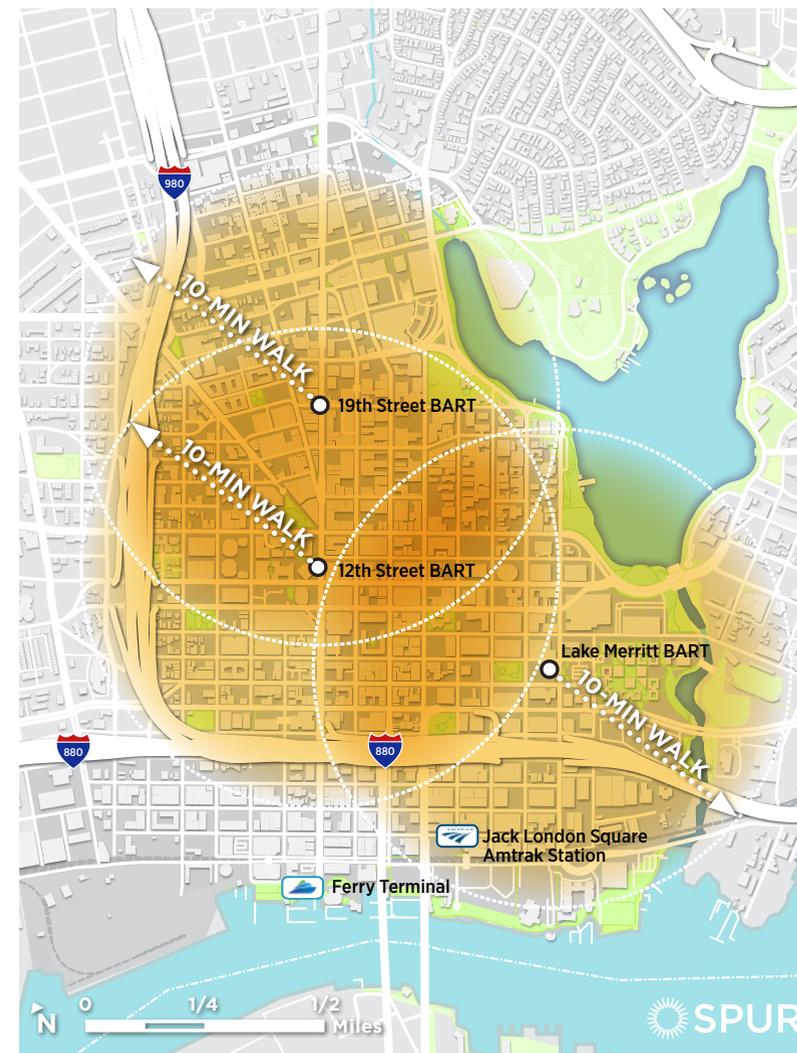
We think these improvements to downtown will directly benefit everyone who spends time there.

**RECOMMENDATION 15**  
**Improve urban design guidelines, focusing on how the ground floor of buildings activates the street and the entire public realm.**

*Key implementers: Department of Planning & Building*

The quality of new buildings plays a big role in how we experience a place. Most of us notice how the building relates to the street and sidewalk (and fewer take note of the cornices and decorations

Small interventions, such as the colorful chairs and tables at the plaza on 22nd and Broadway, can make a welcome addition to public spaces.



Source: Perkins & Will.

**FIGURE 10**  
**Most of Downtown Oakland Is Walking Distance From BART**

The majority of downtown is within a 10-minute walk from one of the three downtown BART stations, making it an ideal place for workers, residents and visitors to arrive by transit and then walk to local destinations.

60 feet overhead). We care about whether the entrance feels comfortable, whether the plaza in front is full of life, whether there's a café on the ground floor and whether windows and doors face the street.

Today, too many buildings in downtown Oakland have long, blank walls or visible parking garages at street level. Several office buildings are set back from the street atop podiums that require climbing stairs to reach the front door. While the architecture of many of these buildings might be perfectly fine, it is the urban design that needs improvement.

We believe urban design in downtown Oakland should optimize the street experience for pedestrians and bicyclists in addition to drivers. Urban design rules should consider how individual buildings engage the public realm (the plazas, parks, streets and sidewalks) and how they shape the experience of the street throughout downtown.

Oakland has numerous urban design guidelines pertaining to the construction of new buildings. The

city should strengthen these guidelines and convert some to requirements since guidelines alone are often not strong enough to shape the final outcome. For example, the 200,000-square-foot addition to 2101 Webster in 2008 is a perfectly fine piece of architecture. But there are few retail spaces or other active uses along the sidewalk, even though city guidelines call for them. Many of the ground-floor windows are covered, and the building's lobby is set back from the street and sidewalk. This was a missed opportunity to use urban design to dramatically improve the public realm.

We recommend that the city approach urban design from the perspective of how the building performs, particularly how well it activates the ground floor. Are there enough active uses that put eyes on the street? Is there variety in the design of the pedestrian environment? Does the ground floor allow for a range of different storefronts so stores can express their unique identity even if they are part of a large high-rise office building?

The goal of these urban design rules should be to improve the pedestrian experience. Oakland should consider the following urban design regulations:

- **Implement minimum and maximum requirements for height, width, depth and the number of entries along street-facing ground floors.** For example, driveway widths should be limited in order to slow car entry and exit, improving pedestrian safety. Wide sidewalks and ground-floor retail uses should be prioritized over parking entrances. Along a block, new buildings should have many entries that permit a variety of sizes for shops (such as from 500 square feet to 5,000 square feet). Additionally, ground floors should be largely transparent; at least 60 percent of the ground floor should be exposed to the street via windows or doors. And blank walls should be limited, for example to no more than 8 feet in length.
- **Discourage placing new buildings on pedestals or podiums that are set back from the street.** Pedestrians should not have to enter a private building in order to access ground-floor retail stores. Ground floors should be treated as a continuation of the street experience, inviting pedestrians to enter, interact, rest, shop and eat.
- **Limit or discourage aboveground parking.** If it exists, it should be wrapped by other uses, such as housing, retail or office space.

- **Maintain flexibility for ground-floor uses.** While we think that Oakland needs stricter urban design requirements for ground floors, we do think the city should remain flexible about the types of uses that can go into the ground floor. Street-facing ground floors should be required to host active uses that engage pedestrians, but those active uses can be wide-ranging. For example, co-working facilities or offices can be appropriate for the ground floor if they sufficiently activate the street. New building designs should also allow experimental retail types such as kiosks, stalls and pop-ups. The city and outside stakeholders, such as the community benefit districts, should work with landlords on flexible ground-floor designs that allow for a diversity of uses. Additionally, this flexibility should permit modifications in size and format (such as from stalls to boutique retail to a larger department store) throughout a building's evolution.



workers and residents without a significant increase in the number of car trips. This could take shape in a number of different ways. Road space could be claimed for dedicated bus-only lanes, protected bike lanes, wider sidewalks or other uses such as linear parks, outdoor seating or bioswales (landscape plantings that allow surface water and runoff to flow into the ground instead of into the sewer system). We suggest the following actions:

- **Develop and implement a unified circulation plan.** This plan for the entire downtown should determine overall capacity needs in various areas and establish principles for how and when to restructure streets. Having an informed sense of where the people are, where they're going and when they're moving about will allow the

Blank walls and significant space devoted to parking (top) diminish the pedestrian environment, while providing a diversity of uses in small storefronts (bottom) encourages walking.

**RECOMMENDATION 16**  
**Redesign streets and sidewalks to allow for growth without a big increase in driving.**

*Key implementers: Department of Public Works, Department of Planning & Building, Department of Transportation, community benefit districts*

Like those in many American cities, Oakland's streets were designed or redesigned with cars in mind. This means that downtown is crisscrossed by a number of wide, multi-lane, one-way streets that are great for drivers but unpleasant and dangerous for pedestrians and cyclists. These streets have excess capacity — that is, they carry fewer vehicles than they were designed for, partly because the advent of the interstate highway system shifted many vehicles off local streets and onto the I-880 and I-980 freeways. Fortunately, this means that downtown Oakland's streets hold tremendous potential to reimagine how this extra space can be used to improve the public realm. Key planning efforts, such as the Downtown Oakland Comprehensive Circulation Study, provide an opportunity to set a vision for the reuse of downtown's streets.

We recommend using this excess space to create a better transit, biking and pedestrian experience so that Oakland can grow its number of

city to make data-informed decisions about how best to invest public dollars to improve the street experience.

- **Make it a priority across departments to improve streets and the public realm for pedestrians.** In addition to using data to make better decisions, the city should reframe how it thinks about streets as part of the public realm. Today, development is approved by the Department of Planning & Building, while the Department of Public Works oversees sidewalk design, traffic engineering, capital planning and construction. There is little to no coordination across departments, and decisions are made in functional silos. Instead, the city should evaluate the street experience through the eyes of its users, who see the street as one unified landscape that stretches from building face to building face. For example, the city could work with a developer to activate the ground floor of a new building by helping to find a new café tenant. It could follow that up by installing a new bench under a shade tree on the sidewalk directly outside. This could serve as a catalyst to activate ground-floor spaces up and down the

Using downtown's excess street capacity to make ample space for pedestrians, transit and bikes would accommodate more trips without increasing car traffic.

block on both sides of the street. The city could then complement the pedestrian experience with a protected bike lane and a bike-share station. Reimagining streets as places for residents and visitors to linger and enjoy is an opportunity for Oakland to attract investment and foot traffic alike.

- **Include streetscape improvements that make walking safer in street-rebuilding projects.** The standards for street and sidewalk design and maintenance should also strive to incorporate infrastructure that is cheaper to build, easier to maintain and helps meet Oakland's environmental goals. Year over year, these improvements might be incremental, but they will accumulate to transform everyday lives. Through these changes, Oakland can gradually but dramatically improve the quality of life across the city.
- **Identify specific streets for distinct purposes.** Some streets, like Broadway, can and should accommodate a first-class experience for pedestrians and transit. Streets parallel to such arterials (such as Telegraph, Franklin and Webster) should be designed to accommodate bikes with safe,



comfortable bike facilities. To implement this, it will be important to map a coherent bus network, a bike network and a distribution of retail centers and corridors in a coordinated manner to ensure that various transportation modes complement each other rather than work against each other. Bikers shouldn't have to dodge buses. Buses shouldn't have to wait behind cars. Trucks shouldn't have to double-park to unload their wares. Pedestrians shouldn't have to fear for their lives when crossing the street.

With its existing surplus of roadway capacity, downtown Oakland offers an immense opportunity to create a truly multi-modal transportation network. Let's make sure we anticipate and support vigorous growth in downtown without increasing people's reliance on privately owned cars.

### RECOMMENDATION 17

## Establish a comprehensive and unified approach to wayfinding in downtown.

*Key implementers: Department of Public Works, Department of Transportation, AC Transit, BART, community benefit districts, Visit Oakland*

Wayfinding is about the sharing of information, typically in a unified system of signs, maps and apps that makes it easy to determine where you are, where you need to go and what the immediate area has to offer, from shops to transit to history.<sup>93</sup>

Downtown Oakland should put in place new wayfinding signage for pedestrians, bicyclists and drivers. This is a cheap way for the city to make it easier for people, especially visitors, to find their way around. There is already a unified wayfinding project in Uptown that could become a model for the rest of downtown and the city. Visit Oakland is also working on improved wayfinding and signage in Oakland neighborhoods. Whatever model for wayfinding is deployed, it should be consistent throughout downtown and across different media (signs, maps, apps, etc.).

This new effort should:

- **Improve wayfinding for pedestrians through better signage**, such as maps of what's within a 10- to 15-minute walk and directions to key destinations.
- **Integrate destination-based wayfinding signage into the bike network** and include information on how long it takes to bicycle to various locations.
- **Incorporate information into Bay Area Bike Share kiosks** that is consistent with the overall downtown wayfinding.
- **Improve wayfinding signage for drivers** to minimize circling and make it easier to find parking garages. The

<sup>93</sup> "Design Principles for Wayfinding." Available at: <http://www.ai.mit.edu/projects/infoarch/publications/mfoltz-thesis/node8.html>



Great wayfinding systems, like those created for the Docklands area of Dublin, Ireland, include everything from pedestrian maps to directional signage in multiple languages.

city should consider active parking management and real-time signage and directions, as well as flexible-rate parking that would be cheaper in areas outside the immediate downtown core. (See Recommendation 27.)

- **Establish a systemic and coordinated approach to the design of benches, lighting and other components of street furniture.**

Oakland should take note of some of the successful examples of wayfinding, such as New York's WalkNYC and downtown Philadelphia's Walk!Philadelphia signage program.<sup>94</sup>

<sup>94</sup> See: <http://www.nyc.gov/html/dot/html/pedestrians/walknyc.shtml> and [http://www.centercityphila.org/docs/walkphila\\_infosheet.pdf](http://www.centercityphila.org/docs/walkphila_infosheet.pdf)

### RECOMMENDATION 18

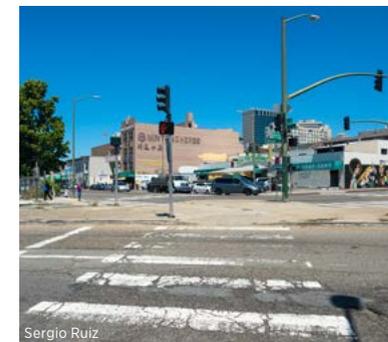
## Make walking around downtown Oakland a pleasure, and ensure that pedestrians are safe from automobiles.

*Key implementers: Department of Public Works, Department of Transportation, Department of Parks & Recreation, community benefit districts, Department of Planning & Building*

Walking around downtown is an inconsistent experience today. Some blocks have wide sidewalks lined with shops, restaurants and other local businesses, making them welcoming to pedestrians. Other blocks have vacant lots, narrow sidewalks or auto-oriented traffic signals. The tree canopy is limited in many areas, and there is insufficient nighttime lighting. Signage is poor, with a distinct lack of navigation aids. Many pedestrian crossings are long, and streets that have been optimized for traffic flow make pedestrians feel unsafe. While not all downtown streets have these issues, many do — and much can be done to improve the pedestrian experience.

We recommend a series of initiatives that work together to improve the experience of walking through downtown Oakland:

- **Consider a larger role for community benefit districts in managing major public spaces.** The three community benefit districts downtown play an important role in connecting property owners, businesses, residents and the public sector. They could also begin to assume responsibility for public space and streetscape



Some intersections and areas of downtown are dangerous for pedestrians (above). To improve the overall pedestrian experience, Oakland should continue to expand its existing network of open spaces and pedestrian pathways, as it has on 13th Street (right).



improvements by prioritizing initiatives, recommending placement of new infrastructure (trees, lighting, benches, etc.) and flagging important repair projects. Chicago provides a good model: The Albany Park Chamber of Commerce partners with the Lawrence Avenue Development Corporation to raise money for and implement neighborhood beautification projects.<sup>95</sup>

- **Expand the tree canopy throughout downtown to provide shade during the day.** Public Works should source and plant a diverse range of trees that are visually pleasing and appropriately matched to California's water conditions. When placing trees, the city should strive to create resting places. For example, trees could be planted to provide shade to existing and new benches or to surround a parklet.
- **Fix or install light fixtures throughout downtown to provide adequate lighting for nighttime uses.** Better street lighting can reduce people's fears about walking at night and thereby encourage walking around downtown at all hours. It can also improve the visibility of existing retail, entertainment and nightlife venues, which may in turn attract new merchants, nightclubs and other venues.
- **Widen key sidewalks that experience a lot of foot traffic.** Wider sidewalks make walking more inviting and allow for the installation of benches and parklets, which give people additional reasons to spend time in the public realm. The city should start widening sidewalks on streets

<sup>95</sup> See: [http://www.northrivercommission.org/index.php?option=com\\_content&view=article&id=71&Itemid=90](http://www.northrivercommission.org/index.php?option=com_content&view=article&id=71&Itemid=90)

that already have a robust set of local businesses, such as Grand Avenue and 20th Street.

- **Adopt “Vision Zero” policies to improve pedestrian safety.** New York and San Francisco have adopted programs that seek to eliminate traffic-related deaths and serious injuries through a range of approaches, including education, engineering and technology.<sup>96</sup> Oakland should establish an interdepartmental team to identify high-injury locations in downtown and implement safe design approaches. Some locations are poised for improvements, such as Lakeside Drive near Harrison Street, which has long felt unsafe for pedestrians because cars drive at high speeds and the crosswalks are long. Improvements to this street could include eliminating a traffic lane, narrowing traffic lanes and widening curbs at intersections.
- **Pilot streetscape improvements with interim materials to demonstrate that quick investments can change how safe and inviting it feels to walk downtown.** The vast majority of New York City’s pedestrian program, such as turning Times Square into a pedestrian plaza, has used interim materials. Oakland should embrace this approach, selecting several corridors for pilots, such as 14th and 20th streets from Broadway to Lake Merritt. One pilot project could be to extend Lake Merritt’s historic “necklace of lights” on these two streets in order to strengthen downtown’s relationship with the lake.



Adding canopies, like this one as at the 20th Street BART entrance, improves the rider experience. All investments on the street, including AC Transit’s future bus rapid transit shelters, should share common design features.

Key entrances should be widened to facilitate the faster flow of people in and out of the station. BART should work with the city to pair wider entrances with wider sidewalks. Ultimately, creating a delightful experience that seamlessly connects BART riders to downtown will make them more inclined to rely on transit in the future. The new digital signs showing train arrival times at the 20th Street BART entrance should be replicated at all downtown entrances in order to minimize anxiety about missing the train. Public places with seating and foliage should be created next to key entrances, allowing people places to meet companions, wait for a bus transfer or look up information.

- **Station canopies and bus stops should use a common architectural language and be well integrated with surrounding development.** The new canopy atop the 20th Street BART entrance is a good start. Since BART is treating this canopy as a pilot, the agency should conduct a competition for canopy designs throughout downtown, while also looking at station canopy designs in other American cities. Beyond BART, the city should embrace similar design principles for the AC Transit Bus Rapid Transit service that will extend southward from Broadway and 20th Street. The city should work with BART and AC Transit to integrate bus rapid transit platforms into a unified vision for transit in downtown that integrates good design, wayfinding signage and public spaces. We believe that BART and bus rapid transit can create a great, cohesive transit experience, especially at shared hubs like Broadway and 20th Street.
- **Stations should create easy connections to other transportation modes.** BART, AC Transit, Amtrak and the ferries all transport riders from around the region to downtown Oakland. These modes should provide seamless



Frank Ogawa Plaza demonstrates how closing streets to cars can result in a well-used pedestrian plaza that serves as a central gathering point.

transitions to local transportation services so that, once they arrive downtown, people can easily navigate to their final destination. Adding bike-share stations at transit stops would enable easy and affordable access to destinations that are a little too far to walk. To serve those traveling to farther destinations, transit stations should have dedicated curb space where taxis and ride-sharing vehicles can pick up and drop off passengers.

- **Transit stations, particularly BART, should integrate visual and performance art.** Studies show that when a transit station is enhanced with art, people are more likely to take transit,<sup>97</sup> will walk farther to transit stations and will wait longer.<sup>98</sup> Murals and other art in staircases and escalators can also help riders tell which station they’re in and can make wayfinding easier (e.g., “Take the green staircase to the Fox Theater”). Art can also help manage transit crowding by encouraging people to make use of less-trafficked entries and exits. Pay-phone booths that are no longer in use at various stations offer another opportunity for art installations that engage riders and make riding transit more appealing.

<sup>97</sup> Federation of Canadian Municipalities. Urban Environmental Programs, Case Studies in Sustainable Transportation, North America Case Study 95: Public Art and Design in Transit, November 2011. [https://www.fcm.ca/Documents/case-studies/GMF/Transport-Canada/PublicArtDesignTransit\\_EN.pdf](https://www.fcm.ca/Documents/case-studies/GMF/Transport-Canada/PublicArtDesignTransit_EN.pdf)

<sup>98</sup> Cascetta, Ennio and Armando Carteni. The hedonic value of railway terminals. A quantitative analysis of the impact of stations quality on traveler’s behavior. 2012. Department of Civil, Construction and Environmental Engineering, University of Napoli Federico II, Naples, Italy.



Public investments from Measure DD have dramatically improved the park area that rings Lake Merritt.

## RECOMMENDATION 20

### Invest in a network of beautiful new and existing public spaces throughout downtown.

*Key implementers: Department of Public Works, Department of Parks & Recreation, Department of Planning & Building, community benefit districts*

Residents, workers and visitors should have access to world-class public spaces that complement the constantly growing mix of retail, dining, entertainment and nightlife options. While several public plazas and open spaces already exist, some serve users well and others need to be improved.

Downtown Oakland was originally planned with seven public squares, five of which are still intact today. One of them, Lafayette Square, was redesigned and rebuilt in the late 1990s and is a model for how a park’s design can make it welcoming to a wide range of users.<sup>99</sup> In Latham Square, at the intersection of Broadway and Telegraph, the city has created new and better public space out of what was formerly a small plaza.

Lake Merritt is an example of a phenomenal public space in downtown that serves a wide variety of uses. The path around the lake offers both visual appeal and a source of exercise. Clusters of benches provide walkers with a place to rest, residents with a social hub, and office workers with a spot to eat lunch. Children play at the playground, slackliners and yogis practice beneath the trees and extended families picnic on the grass.

Missing from Lake Merritt, and elsewhere in downtown, is a place to get wet. Many downtowns are now incorporating water features into public spaces, particularly as a way to attract

<sup>99</sup> Other original squares, such as Jefferson Square and Chinese Garden Park, suffer from being located directly adjacent to I-880.

## RECOMMENDATION 19

### Make transit stations and their immediate vicinities welcoming gateways to downtown.

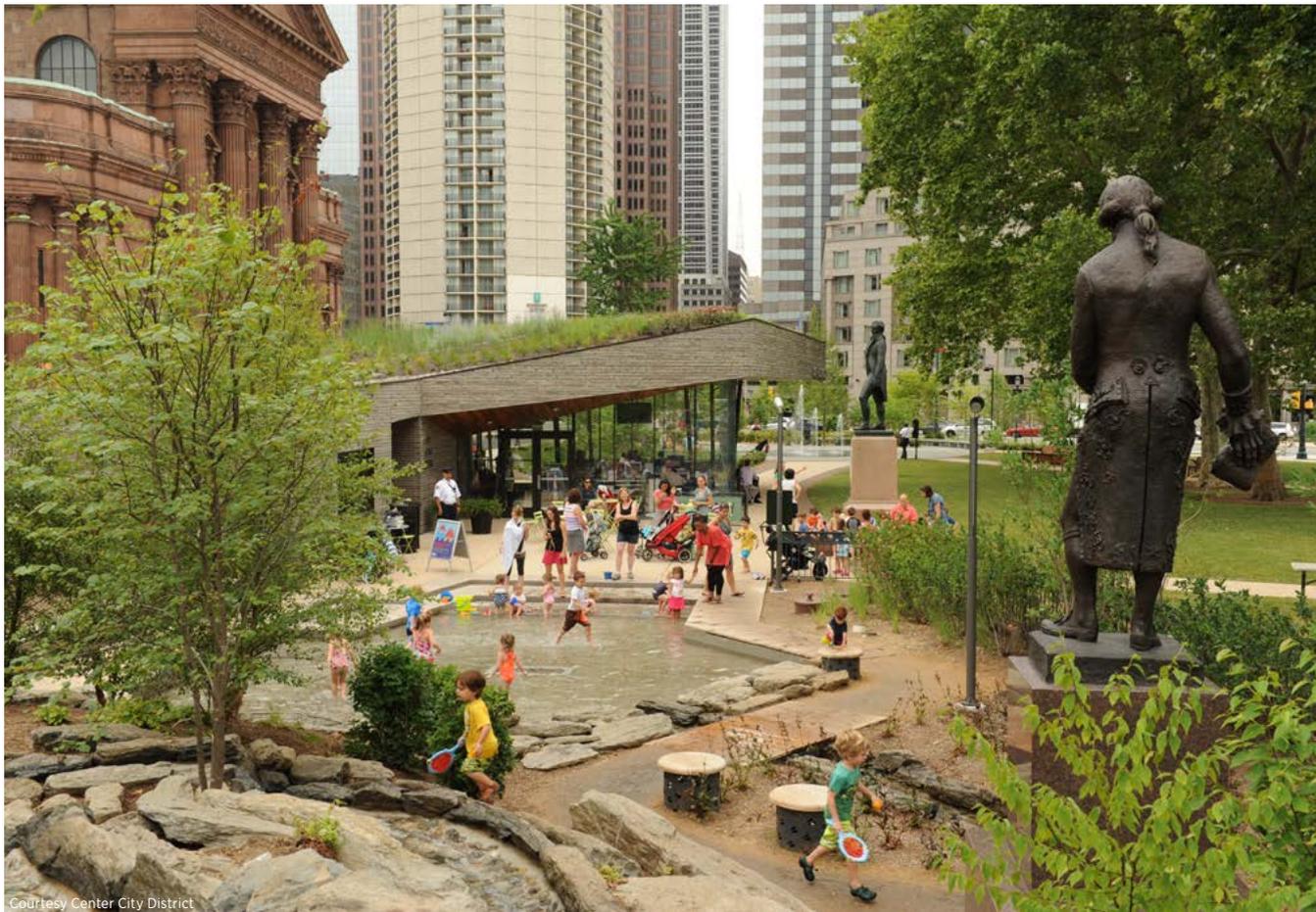
*Key implementers: Transit operators, Department of Public Works, Department of Transportation*

Many people arrive in downtown Oakland via transit. But the transit stations, and some streets and public spaces around them, are often poorly maintained, dirty or simply uninviting. BART signage at Frank Ogawa Plaza is faded and illegible, while the sidewalk on 8th Street next to Lake Merritt BART is narrow and so cracked that it’s dangerous to walk on. Downtown and Oakland deserve better.

It’s important for the arrival experience to be welcoming and for the transit stations and their immediate vicinities to be inviting gateways to downtown. To achieve this, several things are critical:

- **Station entrances should be highly visible, well designed and well maintained.** We recommend making BART entrances throughout downtown more prominent, both to signify the importance of transit and to help pedestrians and cyclists find station entrances easily.

<sup>96</sup> See: <http://visionzerosf.org> and <http://nyc.gov/visionzero>



Courtesy Center City District

families and make downtown friendly for children. Downtown Philadelphia's Sister Cities Park (built by the downtown community benefit district) has a splash fountain and a boat pond / wading pool adjacent to a café and small discovery garden for children. In the Bay Area, downtown San Jose's Plaza de Cesar Chavez has a water fountain that is popular with children on warm days.

While not all downtown public spaces can or should try to fulfill all of these functions, a mixture of sizes and types of public spaces spread throughout downtown could serve the diverse needs of the downtown community.

Frank Ogawa Plaza (which is surrounded by government offices) is a prominent public space that is active during workdays but largely unused outside of office hours. Right now it's an occasional destination for events, protests and festivals, but it has the potential to become downtown's living room. As New York City did with Bryant Park, Oakland could draw users to the space with new plantings, seating and tables, which would also attract more business for the restaurants facing the plaza. The city should analyze how the plaza is used, create a vision for the park as a public space and develop a unified strategy and maintenance plan to realize that vision. Frank Ogawa Plaza could serve

as the centerpiece of a series of public spaces — both big and small — that extend down Broadway, the spine of downtown.

Finally, downtown should also integrate art into public spaces. This is an opportunity to make strategic use of Oakland's public art fee. Beyond embracing local artists to beautify public spaces such as BART plazas, the city should select a few sites to play host to large-scale art installations. These installations should interact with the urban environment and invite pedestrians to engage with the art. Wynwood Walls in Miami is a good example of how a city's artistic community can help develop the pedestrian potential of an area. By using old warehouse walls as a large-scale canvas for street art, Wynwood Walls has created a destination that drives foot traffic and encourages visitors to imagine the continued evolution of the neighborhood. Some areas in Jack London, including the Oakland Produce Market, have potential for this kind of intervention. 🌞

Sister Cities Park in downtown Philadelphia is a great example of a public space that incorporates water features — a wading pool and fountains — with an adjacent café. Downtown Oakland could benefit from such a park.

## Overcoming I-880: How to Better Connect Downtown and Jack London

Three major freeways cross through or near downtown Oakland — I-880, I-980 and I-580 — creating barriers that inhibit walking and separate downtown from surrounding areas. I-880 is a particularly difficult barrier because at 12 different streets, it divides downtown from Jack London, a waterfront area with significant potential for the growth of both jobs and housing, as well as regional ferry and rail services.

Both San Jose and San Francisco also have freeways that cut through their downtowns. (Highway 87 separates the Diridon Station area from the bulk of downtown San Jose, and Highway 80 separates the 4th and King Station area from the rest of downtown San Francisco.) But I-880 is a more significant barrier for Oakland. The underpasses are particularly dark, dirty and poorly maintained, while the design of the freeway off-ramps and tunnel entrances creates a safety challenges for pedestrians.

Improving the pedestrian experience under I-880 will unify the various parts of downtown Oakland and better connect the three BART station areas with Jack London and the waterfront.

In the long run, the best way to overcome the I-880 barrier will be for Oakland to explore burying I-880 in an underground tunnel. We discuss this and other big moves — like burying the Amtrak rail tracks on Embarcadero West and either turning I-980 into a surface boulevard or capping it and building on top of it — in "Big Ideas for the Future" on page 63. When combined, these changes would repair some of the lingering damage of the mid-20th-century freeway era.

In the near term, the following key actions could improve the aesthetics of I-880 and pedestrian experience under the freeway:

- **Provide better lighting along the streets leading to I-880, as well as below the freeway underpass.** Oakland could replicate the artistic lighting it has already placed under the Lake Merritt Boulevard/E. 12th Street undercrossing at the estuary. The city should also look to examples in San Jose, which is pursuing a lighting project below Highway 87, and cities like Shanghai, where freeway lighting installations double as art.
- **Install better-quality art projects in the underpasses.** Some of the I-880 underpasses do have art, such as the sculptures made from Caltrans roadside barriers along Broadway, but it does little to enhance the pedestrian experience. The art under I-880, where conditions are uninviting, should do double duty by including lighting, providing wayfinding cues or educating passersby about the history or identity of the neighborhood.



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The pedestrian passageways under I-880 are uninviting and feel unsafe, creating a barrier between the areas on either side of the highway and effectively cutting downtown off from its waterfront.

- **Clean the walls and streets below the freeway more frequently.** Caltrans should conduct cleaning more often or allow for easy partnerships with local groups to help with cleaning. I-880 is a particularly busy highway, with more than 200,000 cars and trucks passing daily, so the trash and soot build up quickly. The situation is improving as the Jack London Improvement District has begun cleaning the underpass.
- **Relocate some off-ramps.** Caltrans should improve or close down the Broadway and Jackson off-ramps from I-880, shift that traffic to other gateways to downtown, including Oak Street or the exits off I-980, and use the downtown grid to distribute traffic. This would make the pedestrian experience on Broadway far safer and more pleasant. See Recommendation 26 for more on this idea.
- **Retrofit adjacent buildings.** Key buildings surrounding I-880 (such as the headquarters of the Oakland Police Department) should be retrofitted to bring active uses to the ground floor and provide more eyes on the street.

**BIG IDEA 5**

# Make it easy to get to and around downtown through an expanded transportation network.

Downtown Oakland is one of the most transit-accessible places in the region. Yet only 24 percent of people take transit to and from work in downtown, less than half the percentage in downtown San Francisco (over 50 percent).<sup>100</sup> To make downtown Oakland a place where anyone can get around easily without driving will require creating a shared vision for transportation across downtown, reallocating space on the streets, improving the bus and bike network, carefully managing parking, and embracing opportunities for shared mobility, such as car-sharing and bike-sharing services.

<sup>100</sup> U.S. Census Bureau, American Community Survey 2006–2010, Five-Year Estimates. Special Tabulation: Census Transportation Planning Products. Available at: <http://ctpp.transportation.org/Pages/5-Year-Data.aspx>

The level of transit service in downtown Oakland is high: Every one of BART's 706 trains pass through one of the three downtown Oakland stations each day. (To compare, only 536 BART trains pass through downtown San Francisco.<sup>101</sup>) AC Transit operates 28 scheduled routes (including local, limited-stop, rapid, transbay express and all-nighter services) along Broadway between 7th and 20th streets. Bus rapid transit service will also link downtown Oakland with East Oakland and San Leandro along International Boulevard and East 14th Street. The new bus rapid transit line is projected to increase ridership from

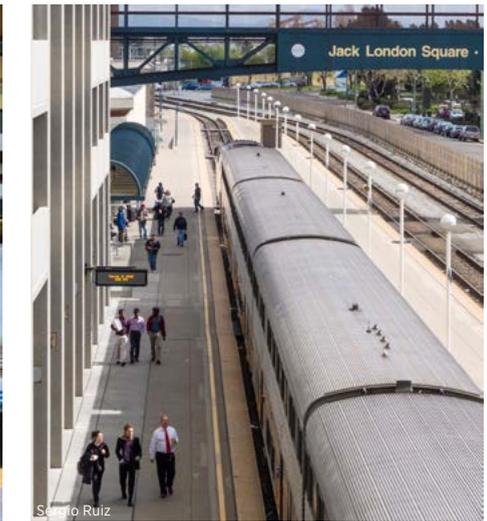
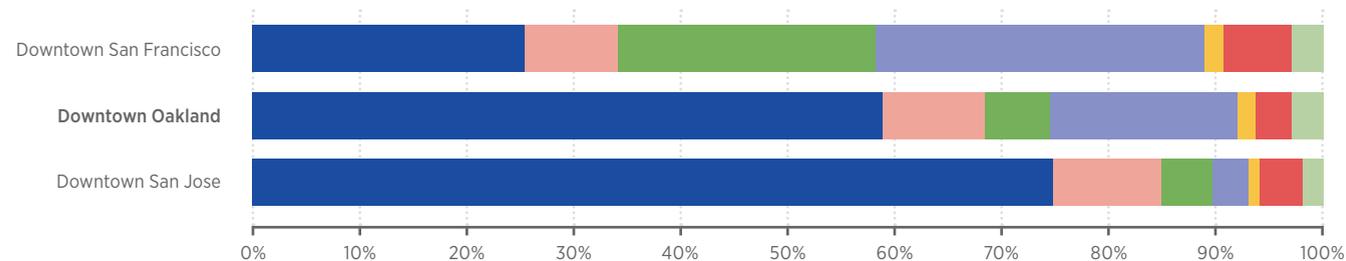
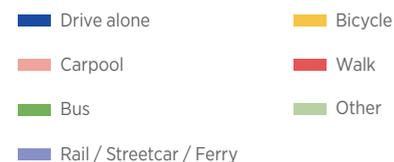
<sup>101</sup> Source: SPUR analysis.

**FIGURE 11**

### How People Get to Work in Downtown Oakland

Despite the confluence of transit in downtown Oakland, nearly 60 percent of workers drive alone to their jobs in downtown Oakland, with less than one-quarter of workers commuting on transit. In comparison, over half of commuters to downtown San Francisco take transit to work and only 8 percent take transit to their jobs in downtown San Jose.

Source: U.S. Census Bureau, American Community Survey 2006–2010, Five-Year Estimates. Special Tabulation: Census Transportation Planning.



Downtown Oakland is the center of the Northern California rail network. Every train in BART's system passes through one of the three downtown stations, and Capitol Corridor trains connect downtown to Sacramento and San Jose.

25,000 to 36,000 per day and increase transit travel time along the corridor between 25 and 28 percent.<sup>102</sup>

As discussed before, downtown Oakland is also in the enviable position of not needing to sacrifice the number of cars on city streets or the ease of driving in order to improve transit, walking, biking and shared mobility. Oakland should move quickly to reallocate some of the surplus road space to pedestrians, buses and bikes to make sure that downtown can grow gracefully without increasing automobile traffic. This is an essential, immediate opportunity that will not exist in the future.

We also think it's critical to make sure that goods continue to move easily downtown. The city should not take needed curb and roadway space away from delivery trucks. Downtown's streets have sufficient room for all parts of the transportation network. The key is to make sure that the network functions seamlessly. Oakland is making great strides on this front, but there's more to do.

If there are great alternatives to driving, people will likely use them. Over time, downtown Oakland should strive to increase the share of people taking transit, walking or biking to work to more than 50 percent. Achieving this goal will require a long-term view, a strong set of policies and the right investments.

### RECOMMENDATION 21

## Establish a closer working relationship between the City of Oakland and all transit operators that serve downtown.

*Key implementers: Oakland Mayor's and City Administrator's Offices, Alameda County Transportation Commission, Department of Transportation, transit operators*

<sup>102</sup> See: <http://www.actransit.org/planning-focus/your-guide-to-bus-rapid-transit/brt-in-the-east-bay>

Four major transit operators serve downtown Oakland: BART; AC Transit; Amtrak's Capitol Corridor, which connects Jack London Square with San Jose and Sacramento; and the Water Emergency Transportation Authority, which runs ferries across the bay from Jack London Square. Downtown Oakland is connected to the rest of the city and the broader Bay Area by an enviable variety of regional transit options. However, none of these transportation networks is optimized to serve a dense, walkable urban core.

The City of Oakland should define what it wants from each operator, including a vision for how transit can enable broader development, social and economic goals. A transit master plan would redefine the relationship between the city and all transit operators and allow Oakland to play a proactive role in implementing improvements to transit throughout downtown.

The Alameda County Transportation Commission's (ACTC) countywide transit plan is such an opportunity for the city.<sup>103</sup> With the city as a stronger partner, transit operators can tailor their capital planning and operations in ways that meet Oakland's goals, while meeting their own goals for increasing ridership.

One model to look to is the Seattle Transit Master Plan. This plan first identified which transit corridors had high ridership already and which were expected to see high use in the future. Then it selected the appropriate transit modes for those corridors and integrated transit capital investments with infrastructure improvements for walking and biking. It also made provisions to improve bus speeds through sidewalk bulb-outs, where the sidewalks are widened at bus stops, and signal priority, where traffic lights are either timed to align with bus speeds or designed to detect approaching buses and give them the green light. Finally, the plan coordinated all of these ideas with the local transit operators.<sup>104</sup>

To be a supportive partner for its transit operators, the City of Oakland should identify opportunities to help transit operators maintain fast and reliable service. Both sides should

<sup>103</sup> See: <http://www.alamedactc.org/TransitPlan>

<sup>104</sup> See: <http://www.seattle.gov/transportation/transitmasterplan.htm>

be aligned on priorities for construction projects and funding sources. Furthermore, the conversation should range across both short-term and long-term views, identifying specific near-term improvements that lay the groundwork for later and bigger projects. For example, establishing dedicated transit lanes on Broadway or another corridor in downtown represents an appropriate near-term improvement that would be a step toward an overall transit vision for downtown streets.

## RECOMMENDATION 22

### Redesign the local bus system to be easy to use, and align it with the locations of future growth.

*Key implementers: Department of Planning & Building, Department of Transportation, Alameda County Transportation Commission, transit operators*

AC Transit is the local transit system in the inner East Bay, from Fremont north to Pinole.<sup>105</sup> The core of the system converges in downtown Oakland. Despite the high concentration of routes on Broadway, AC Transit is not very comprehensible for people who are not regular users. Between 9th and 14th streets on Broadway, there are 15 bus stops for 12 local lines, one school line (the 651), the free B shuttle and five all-nighter lines.<sup>106</sup> In comparison, over a slightly longer distance along Market Street in San Francisco (between 2nd and 4th streets), there are only eight bus and streetcar stops, each line stopping at least twice along this corridor.

The following are some specific improvements that would make the bus network easier for downtown riders to use:

- **More clearly identify Broadway as the primary transit spine for downtown** through signage and transit-only bus lanes.
- **Group buses that share a similar direction at the same bus stop** to make them more useful for intra-downtown trips.
- **Coordinate schedules of major bus routes with the BART schedule** to make transfers easier.
- **Begin a “Better Broadway” project to identify additional improvements for transit users on the street.** Oakland can and should pursue funding from Alameda County’s 2014 Measure BB sales tax increase for such a project. The city could model its efforts on the Better Market Street project in San Francisco, which brought together five city agencies and community partners and treated Market Street as a grand public space in addition to a transportation corridor.<sup>107</sup>

<sup>105</sup> See: <http://www.actransit.org/maps>

<sup>106</sup> Among the 28 bus routes that serve downtown, only the 58L, 72, 72M and 72R lines continue south of 7th Street. Only one route (51A) operates on Broadway north of 20th Street.

<sup>107</sup> See: <http://www.bettermarketstreetsf.org>

- **Implement AC Transit’s Comprehensive Operations Analysis proposals.** This would result in bus frequencies of five minutes for bus rapid transit and 10 to 15 minutes for other routes downtown, including a new line between 20th Street/Broadway and Jack London Square (the 1).<sup>108</sup> This is a significant improvement, as some routes today only run every 20 to 30 minutes. After all of the changes, 60 buses per hour would run in each direction on Broadway between 11th and 12th and 20th streets. We support efforts to maintain this level of service for at least 12 hours a day, which would result in 700 trips per day.

Despite the abundance of existing bus service, in 2010 the city introduced a free shuttle, called the B, for those looking to travel up and down Broadway, between 27th Street and Jack London Square. The B’s distinct marketing, clear route and open-door policy have made it a success, and it attracts about 2,700 riders a day.<sup>109</sup> Yet according to AC Transit analysis, more than 1,000 of those riders are choosing the B instead of existing bus service, resulting in a revenue loss of over \$580,000.<sup>110</sup> If residents and visitors were more inclined to use the existing bus service, the B would not be necessary. The future of the B is worth debating. (See sidebar on page 57.) We think the city and AC Transit should work together to make existing lines easier to understand and to organize the stops by destination. This would improve the user experience and increase the public’s understanding of the high level of service that is already available.

Improving legibility and accessibility is a great place to start making transit better downtown. As a next step, the city should work with AC Transit to redesign the bus network in a way that better suits the needs of a dense, urban downtown. There have been many recent transit and transportation studies in downtown Oakland, including the Emeryville Berkeley Oakland Transit Study, the Broadway Transit Circulator Study, and AC Transit’s Comprehensive Operations Analysis. The Department of Transportation should integrate its findings in partnership with AC Transit. Even though we advocate better bus service for downtown, it’s important to remember that downtown belongs to a larger transit network, and planning must take into account the rest of the network as well.

The San Francisco Municipal Transportation Agency’s Transit Effectiveness Project is a good example of the effort required. Decades of evolutionary changes had resulted in a Muni system that was complicated to understand and frustrating to rely on. The project focused on reshaping the bus network into fewer routes on fewer streets that are evenly spread across the city. Although it cut the number of routes, the MTA provided a higher level of frequency and service on the lines that remained. Downtown Oakland should engage in a similar effort to establish evenly spaced bus service, including new service on key corridors into downtown, such as San Pablo Avenue, 14th Street, and possibly 7th Street (to connect with West Oakland BART). All key lines connecting to downtown should operate every 10 minutes or less.

<sup>108</sup> See: <http://www.actransit.org/coa>

<sup>109</sup> See: [http://www.actransit.org/wp-content/uploads/board\\_memos/14-193%20Broadway%20Shuttle.pdf](http://www.actransit.org/wp-content/uploads/board_memos/14-193%20Broadway%20Shuttle.pdf)

<sup>110</sup> Ibid.

## To B or Not to B: The Future of Downtown’s Free Shuttle Bus

Highly visible green shuttle buses have been providing free rides up and down Broadway since 2010. The B shuttle carries about 2,700 riders per day on a route that begins at 27th Street and ends at the foot of Broadway in Jack London Square. The popularity of the B demonstrates a strong desire for improved transit service on Broadway.

The city provides the B shuttle for several reasons:

- To better connect Uptown with Jack London
- To provide a unique branded bus that will lure more visitors to downtown and, once there, inspire them to explore the area
- To encourage more people to explore downtown without driving

In many ways, the B is a transit success story. It carries a healthy number of riders, it has a welcoming, recognizable brand and it connects key destinations along downtown’s main spine. Because it’s free, riders not only save money, they also don’t have to overcome the hassle of trying to determine the fare before they board. Many people take the B who would never have taken a bus in downtown Oakland. Others have visited places downtown they would not otherwise go to, such as office workers at City Center having lunch in Jack London Square.

While we support efforts like the B to get more people onto transit, we also see reasons to think twice before betting on the B:

- The fact that so many people ride the B despite all of the existing bus service on Broadway suggests that the city faces a challenge in branding, legibility and getting downtown residents, workers and visitors to use what’s already there.
- The B perpetuates this challenge by establishing a new transit brand. Although the B is actually operated by AC Transit, it is branded as a different service and looks like a different bus company. Taking the B does not prepare or encourage riders to try other AC Transit services. This type of fragmentation makes the larger transit network harder to use, as we discuss in our report *Seamless Transit*.<sup>111</sup> The B represents a common Bay Area approach to transit — namely, introducing a new service and brand before fixing or modifying the system that already exists.
- Finally, the B attracts a number of riders who would otherwise have taken the existing transit service on Broadway. According to AC Transit analysis, more than 1,000 of the 2,700 daily riders would have been willing to pay.<sup>112</sup>

<sup>111</sup> Amin, Ratna. *Seamless Transit: How to make Bay Area transit function like one rational, easy-to-use system*. April 2015. Available at: <http://www.spur.org/publications/spur-report/2015-03-31/seamless-transit>

<sup>112</sup> See: [http://www.actransit.org/wp-content/uploads/board\\_memos/14-193%20Broadway%20Shuttle.pdf](http://www.actransit.org/wp-content/uploads/board_memos/14-193%20Broadway%20Shuttle.pdf)



Some have proposed that the B is a stepping stone toward a more permanent solution: a new streetcar system in downtown Oakland. Streetcars are popular for a host of reasons, including the expectation of permanence. Many point to the development that occurred in Portland, Oregon, around the construction of its streetcar as evidence that development is more likely to follow such fixed-rail investments than comparable bus service.

From our perspective, the issue of streetcar vs. free bus or some other alternative raises the question: What kind of transit system do we really want? Ultimately, we care about outcomes more than the specific technology used to achieve them. We want to build a surface transit system that is:

- Fast
- Frequent (at least every 10 minutes, so people don’t have to plan ahead)
- Connected in a grid, to allow for easy transfers from one bus to the other
- Easy to get on and off
- Easy for riders to understand

These goals could be accomplished with a shuttle, a traditional streetcar or a rubber-tire streetcar that is branded differently from existing AC buses. Or they could be accomplished by dramatically improving the legibility and organization of the dozens of existing buses along Broadway. We think this last idea might make the most sense, but whatever option goes forward, the goal should be to treat all transit as part of a seamless, easy-to-access network.

### RECOMMENDATION 23

## Build out a larger East Bay bus and bus rapid transit network that connects downtown to important areas in the inner East Bay, particularly to places not accessible by BART.

*Key implementers: Alameda County Transportation Commission, Department of Transportation, transit operators*

Despite all the bus service on Broadway, key parts of the East Bay do not have enough bus service to and from downtown Oakland. In particular, it's important to establish a stronger transit link between Emeryville and downtown Oakland along corridors such as San Pablo, or to West Oakland along 7th and 14th streets and West Grand Avenue. AC Transit's plan for a bus rapid transit line that will connect east from downtown along International Boulevard to San Leandro BART is a great example of an upgraded transit network that will add riders and increase bus speeds by 25 to 28 percent.<sup>113</sup> While the project is currently planned to end at 20th Street, it should be extended north to Berkeley. AC Transit should consider adding other bus rapid transit routes, including one to Emeryville, and improving transit connections from downtown to the Lakeshore and East Lake areas.

Riders should be able to use BART and high-frequency, high-amenity bus lines like bus rapid transit interchangeably. But one of the barriers to bus use is that bus maps rarely look and feel as easy to use as the BART map. To make the expanded network function better, we need to create a well-designed map of high-frequency transit that includes both bus and BART lines.

### RECOMMENDATION 24

## Create a world-class biking network throughout downtown.

*Key implementers: Department of Transportation, Department of Public Works, Alameda County Transportation Commission*

Oakland's weather and topography support a major increase in biking, as does its excess street capacity (as discussed in Recommendation 16). Downtown Oakland should aspire to create the safest and most comprehensive bike network among urban centers in the United States.

The city should start by identifying key streets and corridors for a network of separated and protected bike lanes. Options include Franklin Street, San Pablo Avenue, 14th Street and 7th Street. New bike facilities should be designed for the comfort of any rider no matter what age.

<sup>113</sup> *Supra* note 102.

Additionally, there should be significantly more bike parking around BART stations. BART has already added a bike storage facility near the 19th Street Station. Now it needs to address the Lake Merritt Station, which has seen huge demand for bike parking and whose in-station bike parking is typically full.

As downtown builds out its bike network, it should seek to avoid conflicts between bikes and buses. Not every street can be great for both uses. For example, with Broadway as the primary transit and pedestrian spine of downtown, the north/south bike network could move to adjacent streets, such as Franklin or Clay.

The creation of a comprehensive network of bike lanes should go hand in hand with the planned expansion of the Bay Area Bike Share program in the East Bay. Stations should be placed throughout downtown, particularly on streets that have dedicated bike lanes.

### RECOMMENDATION 25

## Deliver traffic signal timing that improves travel on downtown streets for all modes of transportation.

*Key implementers: Department of Transportation, Department of Public Works, Alameda County Transportation Commission*

One of downtown Oakland's biggest transportation weaknesses is its traffic signal system. It doesn't work well for any mode: pedestrians, drivers, cyclists or bus riders. Wait times at stoplights are long, and there are simply too many signals, in part because the city requires too many signals in new developments. Fortunately, one of the cheapest and most cost-effective ways to make downtown Oakland's streets safer and smoother is to

Providing secure bike parking, either inside the workplace or at safe places like this indoor facility near 19th Street BART, is critical for getting more people to commute by bicycle.



Sergio Ruiz



Sergio Ruiz

update the signal timing to modern urban standards. Not only will this increase safety, but it will also improve the overall flow of vehicles. Everyone who currently waits at long traffic lights can benefit from this enhancement.

Some specific modifications include the following:

- **Adjust signals so pedestrians do not have to push the "walk" button.** The pedestrian phase of the signal should be automatic, at least at intersections with the highest pedestrian demand. Some of the Bay Area intersections with the highest pedestrian volume are in downtown Oakland along Broadway and in Chinatown. Chinatown has the East Bay's first "scrambles," which make crossing the street more convenient by allowing all directions of pedestrian traffic at an intersection to cross at the same time. These should be implemented in other parts of downtown with high pedestrian traffic.
- **Lower auto speeds downtown on key streets (particularly one-way streets) by timing the traffic signals.** Portland, Oregon, accomplished this using traffic signal progression, which times stoplights to turn green as drivers approach them, as long as they maintain a constant speed from one block to the next. Portland set its signal timing to 12 miles per hour during peak periods and 16 miles per hour during off-peak times, resulting in fewer accidents and better flow of vehicles.

- **Optimize signals based on the primary transportation mode for each street.** For example, time the lights for bicycles on the primary bike network streets; time them for transit on the primary transit network streets; and time them for automobiles on streets intended to carry heavier automobile traffic.

### RECOMMENDATION 26

## Close or remove freeway off-ramps to regain space in downtown.

*Key implementers: Alameda County Transportation Commission, Department of Transportation, Caltrans*

Downtown has freeways on two sides and a large number of off-ramps, some of which drop right onto important streets such as Broadway. This makes walking more difficult and less safe. The high concentration of off-ramps is not necessary for traffic flow. Rather, it is another example of how 20th-century urban planning devoted valuable public space to the car.

In collaboration with Caltrans, the city and county should consider eliminating the off-ramp from northbound I-880 that drops down onto Broadway and shifting those drivers either to the prior off-ramp (Oak Street) or to one of I-980's off-ramps.

Similarly, along I-980, the city and county should explore removing off-ramps at 14th Street and redirecting drivers to the off-ramps at 10th and 18th streets. When making such changes, it's important to shift automobile congestion to places where it will have the least impact on existing communities and residents. SPUR supports implementation of these and other proposals coming out of ACTC's I-880 Broadway-Jackson Interchange Improvement Project.<sup>114</sup>

#### RECOMMENDATION 27

### Actively manage parking in the downtown area.

*Key implementers: Department of Public Works, Department of Transportation, community benefit districts, Alameda County Transportation Commission, parking garage operators*

As Oakland's downtown evolves, one of the most important decisions the city can make is how to limit and manage the growth of off-street parking. We have already discussed how the abundance of transit downtown helps to make walking, biking and transit use more viable and appealing. Adding significantly more parking to downtown would negate those benefits by leading to more car trips and congestion. Conversely, eliminating minimum parking requirements for new developments (described in Recommendation 12) would continue to support other modes of transportation, as well as save projects money and allow more space for affordable housing and offices.

Instead of adding parking, the City of Oakland should manage on-street and off-street parking thoughtfully to best support the economic vitality of its downtown, as well as other commercial areas. Key steps include the following:

- **Consolidate parking from a multitude of surface lots into fewer multi-story garages.** For those who still need to drive, downtown should become a "park once" destination where visitors park their car and then navigate the area on foot. To encourage this, the city should consolidate parking into fewer sites that are placed strategically across downtown.
- **Relax time limits on meters** so that drivers can leave their cars all day if they want to.
- **Use demand-responsive pricing** to raise or lower parking rates according to demand throughout the day or week. During low-demand times, the city could charge as little as 25 cents per hour. Similarly, in times and places with very high parking demand, the city could increase parking rates. The pricing program could include a goal to set the price high enough so that one or two spaces remain available on every block. This will allow drivers who are price-sensitive to find the lowest price by shifting when they drive or where they park. Meanwhile, it allows other drivers to find a space more quickly.

<sup>114</sup> See: [http://www.alamedactc.org/files/managed/Document/778/6\\_NorthForum2010\\_BroadwayJackson.pdf](http://www.alamedactc.org/files/managed/Document/778/6_NorthForum2010_BroadwayJackson.pdf)

#### RECOMMENDATION 28

### Embrace ride sharing and car sharing as effective ways to reduce reliance on privately owned vehicles.

*Key implementers: Department of Transportation, Department of Public Works*

Creating support for car-sharing, ride-sharing and ride-hailing services by clarifying their legality, as well as expanding the bike-sharing network, will help people get to and around downtown more easily without owning a car. This will help reduce congestion, parking demand, greenhouse gas emissions and the percentage of people who drive overall — all at no cost to the city. Expanding access to shared mobility also helps lower the cost of living downtown (and elsewhere) by making it easier for households to go from owning two cars to one or, in some cases, from one car to none.

While the rest of our transportation vision makes it easier to get to downtown without a car, car sharing ensures that people still have access to a car when they need it. Oakland should support all forms of car sharing. The city already has one homegrown car-sharing startup, HeLLa Rides, a peer-to-peer carpooling and ride-matching service for East Bay residents where riders pay no more than the comparable cost of a local transit fare.<sup>115</sup> This type of service can coexist with the traditional car-sharing companies, such as Zipcar or City CarShare, that operate in Oakland. Oakland should also encourage peer-to-peer services that allow people to use each other's cars (e.g., GetAround) and one-way car-sharing services (e.g., Car2Go) as a way to eliminate redundant trips when drivers have to return a car back to the same place they picked it up from, even if that's not their final destination. With a greater number of shared vehicles on the streets and a diverse range of vehicles and prices, costs to users can fall and shared cars can become available in all areas of the city.

Oakland has made progress on defining the rules around permitting and parking for shared cars. It has a system in place to allow drivers of one-way shared cars to park on the street, but it is waiting on car-sharing providers like Car2Go to purchase permits. Oakland should also clarify rules for car-sharing organizations to get dedicated parking spaces (both on-street spaces and off-street spaces in garages and lots), creating a simple and predictable process. To encourage peer-to-peer car sharing, the city can reserve and rent on-street parking spaces as long as it verifies that the cars are truly shared and have a minimum level of usage, thus ensuring a broad public benefit for all.

Oakland should also be proactive in managing ride-sharing services like Uber and Lyft while ensuring fair competition with the existing taxi fleet. It's also important to monitor and work closely with emerging private transit options, such as Chariot and Bridj, which provide ride sharing in small vans. Some of these services will be able to design tailored routes that bring commuters and visitors into downtown from lower-density areas like Oakland's hillside neighborhoods and other areas that do not have good bus

<sup>115</sup> See: <http://hellarides.com>

service or easy access to BART stations. Current critiques and skepticism about the role of private for-profit transportation are not new. Jitney buses were common in Oakland and other U.S. cities in the early 20th century and were subject to serious debate about how to regulate them to provide a safe and fair service.<sup>116</sup> The city's new Department of Transportation should take the lead in integrating both public and private transit services into a coherent transportation planning and oversight structure that shares trip data across systems.

#### RECOMMENDATION 29

### Concentrate bike-sharing stations in a contiguous area in and around downtown.

*Key implementers: Oakland Mayor's and City Administrator's Offices, Department of Transportation*

Oakland should take full advantage of Bay Area Bike Share's East Bay expansion. The program is expanding from 700 to 7,000 bikes throughout the region by 2017. This will make

Concentrating Oakland's bike share stations in contiguous areas within and adjacent to downtown — as was done in downtown San Jose (shown here) — will make Bay Area Bike Share most successful.

<sup>116</sup> "Traffic and Transportation: The Jitney Bus." *Electric Railway Journal*, Vol. XLV, No. 7 (February 6, 1915), 328.

it the second-largest bike-sharing network in the country, after New York City. There will be more than 850 bikes in Oakland, 400 in Berkeley and 100 in Emeryville. San Jose will have 1,000 bikes and San Francisco will get 4,500. Downtown Oakland is an ideal place to implement bike sharing given the topography and short distances between a wide range of destinations. Bike sharing will play a unique role in linking downtown with adjacent neighborhoods like West Oakland, Adams Point, East Lake and Brooklyn Basin, as well as in better connecting residents and visitors to destinations like Lake Merritt and Jack London Square.

Bike sharing is most effective when it is part of a dense and contiguous network of stations. Low ridership among bike-share stations in Mountain View, Palo Alto and Redwood City demonstrates some of the challenges of placing too few bikes in too small an area; users couldn't travel many places before they had to come back (within 30 minutes) to dock their bike again.

Oakland should put a large share of its initial 850 bikes in downtown and adjacent neighborhoods, as opposed to locating a smaller number of them around transit stops throughout the entire city.<sup>117</sup>

<sup>117</sup> See: [http://www.mtc.ca.gov/news/current\\_topics/5-15/bikeshare.htm](http://www.mtc.ca.gov/news/current_topics/5-15/bikeshare.htm)



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The city and other partners should also ensure that bike sharing is equitably implemented by marketing a reduced-price plan for lower-income users.<sup>118</sup> There should also be a specific strategy to make sure that those without bank accounts or credit cards are able to access and use the service. Over time, Oakland should seek to expand bike sharing, bringing more bikes to more neighborhoods, but its initial rollout should concentrate on downtown and adjacent neighborhoods.

### RECOMMENDATION 30

## Build a Department of Transportation, and create a capital plan to prioritize and identify funding for infrastructure projects in downtown.

*Key implementers: Oakland Mayor's and City Administrator's Offices, Department of Transportation*

A number of reports and studies (such as the Downtown Specific Plan, Downtown Oakland Parking Study and Comprehensive Circulation Study for Downtown Oakland) are proposing new transportation concepts and projects for downtown. The city needs a unified transportation vision across transportation modes to ensure that these various projects collectively add up to a successful system. The key entity to implement many of these ideas is the city's newly established Department of Transportation (DOT).

A well-run DOT can overcome some of the challenges in transportation. For many years there has been a lack of coordination and communication among the downtown transit operators and other transportation stakeholders, including residents. Transportation project development and delivery have been slow. For example, the repaving schedule for streets in Oakland is 85 years.<sup>119</sup> Without a DOT, Oakland has also missed out on available funding

<sup>118</sup> The reduced-price plan is currently proposed at \$60 per year, 40 percent of the full price (\$149). See: [http://www.mtc.ca.gov/news/current\\_topics/5-15/bikeshare.htm](http://www.mtc.ca.gov/news/current_topics/5-15/bikeshare.htm). There is also a commitment to place 20 percent of the bicycles in MTC's designated Communities of Concern, U.S. Census tracts with a high percentage of minorities, low-income households, low-English-proficiency residents, no-car households, seniors 75 and over, persons with disabilities, single-parent households or cost-burdened renters. Most of downtown Oakland and its surrounding neighborhoods qualify. See: <http://www.arcgis.com/home/item.html?id=6395becff0324b7c9aa2887cc46adall>

<sup>119</sup> See: <http://www.transpoakland.org>



for transportation projects. For example, Alameda County's Measure BB sales tax increase, which will generate nearly \$8 billion over 30 years, provides discretionary funds for transportation projects that are available to jurisdictions through a competitive bid process. Oakland needs more staff to be able to apply for and access these funds. The new DOT will increase the number, quality, speed and coordination of transportation projects downtown and throughout the city.

The DOT should hold the broad vision for downtown transportation and should incorporate this vision in a 10-year transportation capital plan. By developing clear criteria for what investments to prioritize and how to phase projects, this plan can thoughtfully direct investment of existing and new funds. The transportation capital plan should plug into the city's overall 10-year capital plan.

Beyond implementing the DOT and setting up a long-range transportation capital plan, the City of Oakland should put itself in a better position to deliver public projects on time and on budget. With its new authority, the DOT will look at city development through a mobility lens that supplements the capital-planning lens provided by Public Works. The DOT will also provide focus, funding and people to effectively deliver and communicate transportation improvements. If the DOT and Public Works can effectively collaborate to complete transportation projects on time and on budget — and communicate their benefits broadly — the public will be more willing to support them, and the city can go after more funding for continued improvements. 🌟

Oakland's new Department of Transportation will help the city on key priorities such as improving the legibility of the bus system on Broadway, determining the future of the B shuttle and implementing a vision for the streets that allocates space to a range of users.

# Big Ideas for the Future

While Oakland and downtown have many immediate concerns that should be addressed right away, we think there are four game-changing long-range ideas that are worth beginning to plan for now. These are the design and routing of a second transbay rail tube, the redesign and reuse of interstate I-980, the undergrounding of freight and passenger rail in Jack London, and the undergrounding of interstate I-880.

The freeways and associated auto-oriented planning of the postwar decades did significant damage to downtown Oakland and its surrounding areas. Turning those physical and psychological barriers into something positive will go a long way toward reconnecting downtown with West Oakland and the waterfront. In the case of I-980, the freeway right-of-way itself can be used to help bring vitality to areas west of downtown.

We encourage Oakland to think long term about the positive opportunity to remake its infrastructure. The following are a few considerations for these four opportunities.

### 1. Begin planning for a second transbay rail tunnel that serves downtown, connects through Howard Terminal and converts a portion of the terminal site into a hub for major regional transportation networks.

The Bay Area is adding tens of thousands of new residents each year, but it has not added any transportation capacity between Oakland and San Francisco since the BART tube opened in 1972. The new Bay Bridge is seismically stronger but cannot carry any more people than the prior bridge, and BART is now at capacity heading into San Francisco during peak hours. Discussions are underway

throughout the region about building a second transbay rail tunnel between San Francisco and the East Bay. SPUR was an early proponent of this concept.<sup>120</sup> A second rail tunnel could carry a new BART line or it could connect Caltrain to Oakland. Either way, it would not only add transit capacity between the East Bay and San Francisco, it would also create the ability to run trains 24 hours a day while providing a backup for the existing BART tube in the event of a natural disaster or other disruption.<sup>121</sup>

A new tunnel connecting to downtown Oakland would help reinforce downtown as the center of the regional transit network. It would provide major opportunities for future transit-oriented development around new downtown stations. If the tunnel connects at Howard Terminal, it could be a key component in defining the future of Jack London.<sup>122</sup> And if it uses the I-980 right of way, the rail line could help bring new employment opportunities to a new rail hub adjacent to West Oakland.

<sup>120</sup> SPUR produced a video about the benefits of a second rail tube. View the video here: <http://www.spur.org/blog/2011-08-16/how-will-17-million-more-people-cross-sf-bay>

<sup>121</sup> Ibid.

<sup>122</sup> Any new development along the waterfront (a new tube, Howard Terminal or other development) would require examining how to adapt new infrastructure and developments to sea level rise.

There are many ways a second transbay rail tube could be configured. But more important than committing to a specific alignment, Oakland needs to be engaged in the regional conversation about a tube as part of a broader vision for how the region grows and how new rail investment connects with existing transit. There's no guarantee that a second tube will connect to downtown Oakland. It is essential that Oakland and East Bay leaders start now to promote an alignment for a second tube that further reinforces downtown Oakland as the center of the regional transit network.

Despite our view that a second tube is needed in the long run to manage regional transit capacity, the concept of a second tube does create two issues to address in downtown:

- How to grow around Howard Terminal and 14th Street without shifting energy away from Broadway and Jack London Square. This issue can be mitigated by planning for growth in such a way that the new rail comes in after other areas of downtown are further built out.
- How to manage multiple transportation hubs without creating the need for downtown bus circulators to connect them. This issue can be mitigated by managing all train lines as a single network where transfers, especially between operators, are seamless.

## 2. Reimagine the I-980 right of way as a multimodal transportation corridor that opens up publicly owned land to other uses and reconnects West Oakland to downtown.

I-980 was planned to be a connector to a second transbay bridge that was never built. Today, I-980 serves primarily as a freeway entrance to downtown Oakland and a connector from Highway 24 to I-880. It is oversized for both current and future traffic needs.

There are several options for how to reimagine I-980 between I-880 and West Grand Avenue. The portion north of West Grand Avenue would remain a freeway as it is today under either option.

One would be to keep the freeway below grade, reduce it from five to four lanes, and add four rail tracks in the same right of way. This would require shifting the freeway lanes to either the east or west side of the trench and putting the rail tracks on the opposite side. In this scenario, there would be a cap atop parts of I-980, and the space above could include a mix of parks and new development, plus a rail station at 14th Street.

Another option would be to convert I-980 into a surface boulevard. This is based on an

argument that I-980 as a freeway carries only 70,000 cars per day in this segment<sup>123</sup> and a surface boulevard could carry virtually the same number. Further, some argue that capping the freeway would create on-ramp issues with I-880, limit the number of exits to Oakland and further complicate future rail connections. Capping the freeway would also greatly limit the amount of new usable land. In contrast, a boulevard allows for full development of 17 acres (12 new city blocks) of publicly owned land that could be put to a multitude of uses.

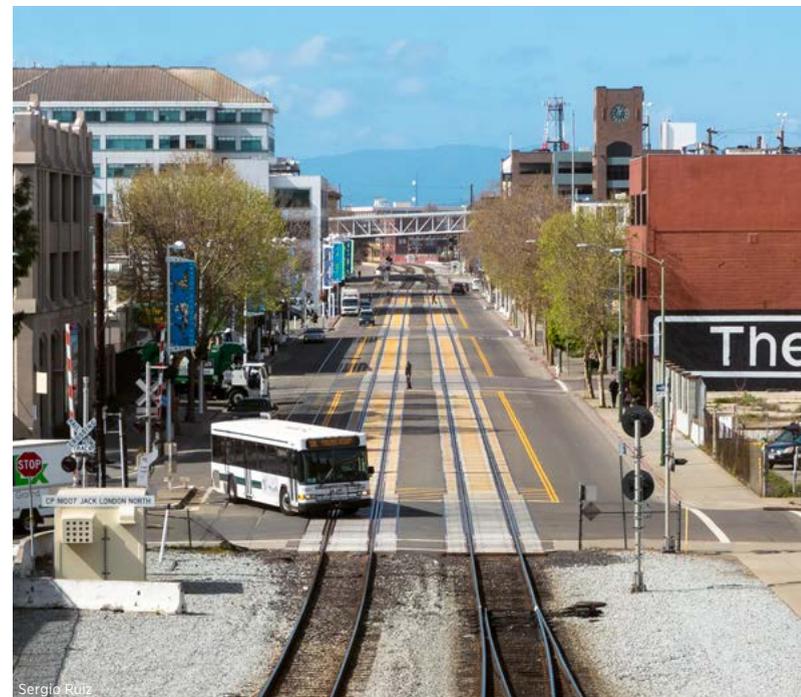
Under either scenario, a major benefit of redesigning I-980 would be reconnecting West Oakland with downtown as part of a single, contiguous neighborhood. There is a significant amount of public housing in West Oakland, and those residents should be able to benefit from the growth and improvements in downtown.

## 3. Bury the railroad tracks along Oakland's waterfront in a trench or tunnel.

The heavily used Union Pacific tracks along Embarcadero West run in the middle of the street through the heart of Jack London, from Clay Street to Webster Street. Although railroad safety gates

<sup>123</sup> Caltrans data shows that I-980's average daily traffic in 2014 was 73,000 vehicles between I-880 and 14th Street, and only 59,000 between 14th and 18th streets. By contrast the segment between 18th Street and I-580 carries 111,000 daily vehicles and should not be reconfigured. Available at: <http://www.dot.ca.gov/hq/traffops/census/2014all/Route505-980.html>

Burying the railroad tracks that run through Jack London in an underground tunnel would make the streets safer and improve access to the waterfront.



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and warning lights have been added, the segment is very dangerous, and will only get more so with increased passenger rail and future development in the area. Additionally, the train horn is disturbing to residents and workers.

Trains should not be mixing with thousands of pedestrians, bikes and cars at such a busy place. Putting the railroad tracks in a trench or a tunnel would separate the trains from other users, make streets safer and improve access to the waterfront. Although costly, this could be paid for in part by capturing some of the increase in value on adjacent properties whose value is currently diminished by the railroad tracks. A trench would be the less expensive option, as it not only costs less to build but does not require a ventilation system for diesel train exhaust. The advantages of a tunnel include direct access to the second transbay tunnel and eliminating any barrier between the city and Howard Terminal.

## 4. Bury I-880 underground along the Oakland waterfront.

By burying a major freeway underground, the Big Dig transformed downtown Boston and turned a former barrier into a major asset. Oakland could similarly transform the barrier of I-880 and turn it into a public asset for residents, workers and visitors to downtown.

Interstate 880 cuts downtown Oakland off from its waterfront, just as the Embarcadero Freeway once did in San Francisco. Unlike the

Oakland's elevated freeways form a barrier around downtown and cut it off from West Oakland and the waterfront. Putting them underground or converting them to surface boulevards would help knit the city back together.



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Embarcadero, however, I-880 is a through highway that carries more than 200,000 vehicles per day<sup>124</sup> and is vitally important for Oakland's core industries. Instead of converting it to a boulevard, it could be put underground from the Lake Merritt channel until just west of I-980. Although it only requires a shallow trench, this move would be costly. But it could be paid for in part by two things: the sale of the 23 new city blocks that would be freed up for development, and capturing some of the value increase for the blocks on either side of the freeway, where value is currently diminished.

Even if I-880 were not put underground, there are other changes that could minimize the negative impact of the existing elevated structure. These include:

- Eliminating the current Broadway and Jackson Street on- and off-ramps, shifting traffic to the ramps at the edges of downtown and using the downtown street grid to distribute traffic
- Adding active uses under the Broadway overpass
- Enclosing and activating other areas under the freeway to reduce its barrier effect

These four big ideas for the future are not the only potential major investments or changes for Oakland. But they would open up new possibilities for a city that bore the negative impacts of freeway building, urban renewal and other planning policies in the 20th century. We put them forward to start the conversation about what is possible for Oakland and its downtown.

City-making is difficult. It takes a long time. It requires many different actors. And there is no silver bullet. Viewed against our current culture's celebration of disruption, downtown planning and revitalization can feel like an anachronism. But patience and long-term thinking are the key to creating and maintaining great cities.

Downtown Oakland is already a great place within a great city. But we believe it can be much better, providing greater benefits to the residents of downtown, the city and the region. 🌞

<sup>124</sup> Caltrans. Available at: <http://www.dot.ca.gov/hq/traffops/census/2014all/Route505-980.html>

# Plan of Action

		Mayor's and City Administrator's Offices	City Council	Planning & Building	Public Works	Parks & Recreation	Housing & Community Development	Police Department	Economic & Workforce Development	Chamber of Commerce	Community Benefit Districts	Schools and Colleges	Department of Transportation	Alameda County Transportation Commission	Transit Operators	Caltrans	
<b>BIG IDEA 1</b> Grow 50,000 more jobs in downtown and create pathways to get people into them.	<b>Recommendation 1:</b> Make downtown Oakland a great place to form and grow businesses.	✓						✓	✓	✓	✓						
	<b>Recommendation 2:</b> Develop a strategic vision for publicly owned property to serve economic development goals.	✓	✓	✓					✓			✓			✓		
	<b>Recommendation 3:</b> Create alignment between the education and workforce systems to help students and workers get on pathways to good job opportunities downtown.	✓								✓	✓	✓					
<b>BIG IDEA 2</b> Bring 25,000 more residents to downtown at a range of incomes, and enable existing residents to remain.	<b>Recommendation 4:</b> Ensure sufficient capacity for new housing and improve amenities to attract new residents.			✓			✓	✓	✓		✓						
	<b>Recommendation 5:</b> Enforce current rent protections and experiment with new ownership models to allow existing residents to stay in downtown as it evolves.	✓	✓				✓										
	<b>Recommendation 6:</b> Secure a large amount of funding for affordable housing from a wide variety of sources, and pursue a range of strategies for households at different income levels.	✓	✓	✓			✓			✓							
<b>BIG IDEA 3</b> Set clear and consistent rules for growth to make downtown a better place for everyone.	<b>Recommendation 7:</b> Set financially feasible impact fees in order to maximize revenue while enabling new investment to take place.	✓	✓	✓					✓				✓				
	<b>Recommendation 8:</b> Take a market-oriented approach to land use decisions in most of downtown, but hold out for office uses near BART and maintain industrial uses in Jack London.			✓					✓								
	<b>Recommendation 9:</b> Establish minimum densities for new development.			✓			✓										
	<b>Recommendation 10:</b> Update historic preservation rules to ensure preservation of key buildings while encouraging adaptive reuse and modern development on adjacent properties.			✓						✓							
	<b>Recommendation 11:</b> Continue welcoming entertainment and nightlife in downtown.			✓					✓	✓		✓					
	<b>Recommendation 12:</b> Eliminate minimum parking requirements and institute parking maximums over time.	✓	✓	✓	✓									✓			
	<b>Recommendation 13:</b> Set performance targets and standards for downtown, and adjust policies to keep Oakland on track to meet them over time.	✓		✓						✓							
<b>Recommendation 14:</b> Establish a downtown implementation team to coordinate efforts between city departments.	✓		✓	✓	✓	✓	✓		✓		✓	✓	✓	✓	✓		

continued on next page

		Mayor's and City Administrator's Offices	City Council	Planning & Building	Public Works	Parks & Recreation	Housing & Community Development	Police Department	Economic & Workforce Development	Chamber of Commerce	Community Benefit Districts	Schools and Colleges	Department of Transportation	Alameda County Transportation Commission	Transit Operators	Caltrans
<b>BIG IDEA 4</b> Create inviting public spaces and streets as part of an active public realm.	<b>Recommendation 15:</b> Improve urban design guidelines, focusing on how the ground floor of buildings activates the street and the entire public realm.			✓												
	<b>Recommendation 16:</b> Redesign streets and sidewalks to allow for growth without a big increase in driving.			✓	✓						✓		✓			
	<b>Recommendation 17:</b> Establish a comprehensive and unified approach to wayfinding in downtown.				✓						✓		✓		✓	
	<b>Recommendation 18:</b> Make walking around downtown Oakland a pleasure, and ensure that pedestrians are safe from automobiles.			✓	✓	✓					✓		✓			
	<b>Recommendation 19:</b> Make transit stations and their immediate vicinities welcoming gateways to downtown.				✓	✓							✓		✓	
	<b>Recommendation 20:</b> Invest in a network of beautiful new and existing public spaces throughout downtown.			✓	✓	✓						✓				
<b>BIG IDEA 5</b> Make it easy to get to and around downtown through an expanded transportation network.	<b>Recommendation 21:</b> Establish a closer working relationship between the City of Oakland and all transit operators that serve downtown.	✓											✓	✓	✓	
	<b>Recommendation 22:</b> Redesign the local bus system to be easy to use, and align it with the locations of future growth.			✓									✓	✓	✓	
	<b>Recommendation 23:</b> Build out a larger East Bay bus and bus rapid transit network that connects downtown to important areas in the inner East Bay, particularly to places not accessible by BART.												✓	✓	✓	
	<b>Recommendation 24:</b> Create a world-class biking network throughout downtown.				✓								✓	✓		
	<b>Recommendation 25:</b> Deliver traffic signal timing that improves travel on downtown streets for all modes of transportation.				✓								✓	✓		
	<b>Recommendation 26:</b> Close or remove freeway off-ramps to regain space in downtown.												✓	✓		✓
	<b>Recommendation 27:</b> Actively manage parking in the downtown area.				✓							✓	✓	✓		
	<b>Recommendation 28:</b> Embrace ride sharing and car sharing as effective ways to reduce reliance on privately owned vehicles.				✓								✓			
	<b>Recommendation 29:</b> Concentrate bike-sharing stations in a contiguous area in and around downtown.	✓											✓			
<b>Recommendation 30:</b> Build a Department of Transportation, and create a capital plan to prioritize and identify funding for infrastructure projects in downtown.	✓											✓				



All photos by Sergio Ruiz



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