A DOWNTOWN FOR EVERYONE

Shaping the future of downtown Oakland

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Executive Summary

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 underserved. 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 spread out and density is uneven, contributing to a

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 tax 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.

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 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.

See pages 66–69 for a plan of action identifying the parties responsible for implementing our recommendations.
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 downtown San Francisco, just 10 minutes away. From another point of view, downtown San Francisco 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.

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 880. Within this geography are numerous distinct neighborhoods, such as Jack London’s 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.

*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 Oakland Produce Market, Howard Terminal and the surrounding blocks.”
Second, the transportation infrastructure is largely in place to accommodate growth of new jobs and residents without displacing any existing ones. We have lots to build on, enough space to accommodate tens of thousands of new jobs and residents without displacing any existing ones. Will new planning efforts be sufficiently 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 for growth — 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.

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 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.

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.

In 1985, the San Francisco Bay Area: A Metropolis in Perspective (1985), 157.

Sergio Ruiz
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.

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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 areas as they sought to attract manufacturing facilities. At the same time, these communities built new residential neighborhoods where they 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.”

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 reintegration and redevelopment.

Redevelopment demolished buildings and razed large portions of neighborhoods — often with no new development to replace 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. 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 impared the walkability of the entire district. This was the case at City Center, a roughly 22-block district of 15 blocks between Broadway and Castro from 11th to 16th 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 convention centers. 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-880) 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 500,000 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. Throughout the '90s, additional attempts to secure private sector investment proved difficult; most of the new office development housed public agencies. In fact, between 1975 and 2015, only two major private sector office towers were completed in the district.

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, walkable retail environment.

The era of urban renewal coincided with the rise of automobiles and the construction of two new freeways that cut downtown Oakland in half. In the 1960s and '70s, I-880 formed a barrier between downtown and the city's waterfront, I-80 (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 neighborhoods. This provided needed homes to struggling residents 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.

The construction of two freeways during the 1950s (pictured), and later interstate 880 in the 1960s, led to the displacement of thousands of residents and created a barrier between downtown and nearby neighborhoods.

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 350,000 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.1

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

In 1940, Oakland was the most diverse city in the United States. See: http://priceonomics.com/the-most-and-least-diverse-cities-in-america

1 In 2014, Oakland was named the most diverse city in the United States. See: http://priceonomics.com/the-mist-and-best-diverse-cities-in-america


3 See: http://oaklandhistoryweekly.com/the-changing-face-of-oakland.html


5 Ibid.

6 Ibid.

7 Several small state office buildings opened in 1994, and the Ronald V. Dellums Federal Building complex, with two 20-story towers, opened in 1993. In 1998, the 22-story Elburn H. Harris State Office Building opened at 500 Clay Street. Although nearby, the Harris Building was not part of City Center.

8 These are OIB 1990 (Broadway and 555 12th Street 2002).


10 Shelterforce Online. Available at: http://www.nhi.org/online/issues/145/designingdown.html

11 Sweezy, Al. “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/148/designingdown.html


13 JPH. Available at: http://www.oaklandcitycenter.com/how-we-got-here/how-we-got-here.html

14 Bower, Jean. “Designing downtown.html

15 Sweezy, Al. “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/148/designingdown.html

16 JPH. Available at: http://www.oaklandcitycenter.com/how-we-got-here/how-we-got-here.html


18 JPH. Available at: http://www.oaklandcitycenter.com/how-we-got-here/how-we-got-here.html
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 residents, growing to a current population of more than 20,000.

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, an 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. 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 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. In addition to First Friday and Art Murmur, key events include Eat Real, Art + Soul, Oakland First Friday, 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, including road improvements, trails and landscaping, connecting the lake to the estuary and converting a fire department pumping station into the Lake Chalet restaurant.

This estimate is based on the U.S. Census American Community Survey 2009 – 2013 5-year estimates. We totaled the population living in the census block groups that mostly closely align with our definition of downtown.

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/oakca1/documents/webcontent/document/32942.pdf

See: http://oaklandartmurmur.org/about-oakland-art-murmur

See: http://www.meetdowntownoak.com

For a list of projects funded by Measure DD, see: http://www.oaklandnet.com/government/c/PWA/s/S/C/Measure-DS/DOK025185

All photos by Sergio Ruiz
Who Lives in Downtown Oakland?

Race of Residents in Downtown vs. All of Oakland

Age of Residents in Downtown vs. All of Oakland

Educational Attainment of Residents in Downtown vs. All of Oakland

Income Distribution of Residents in Downtown vs. All of Oakland

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 downtown Oakland’s residents are more likely to have some college or an associate’s degree. The main finding regarding education in downtown Oakland 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).

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 in downtown Oakland 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).

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 un congested 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, Clores 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 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. 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.)

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.

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. Only a few major civic structures, such as the Kaiser Convention Center (1914) on Lake Merritt and the Alameda County Superior Court (1914), 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 centering downtown, the office towers by Lake Merritt pulled it apart.”

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

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How Does Crime in Downtown Oakland Compare to 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. 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 and from the San Francisco Police Department to draw our own conclusions.

We compared reported 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.

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. 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-resident total crime rate was 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 per sample 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.
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 core 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 accommodating enough trains to carry East Bay workers into San Francisco. This capacity constraint sets up downtown Oakland as a focal point for the region’s rail transit network and making it easier to get to downtown Oakland from throughout the Bay Area.

As the Bay Area continues to grow, we will need a second rail line under the bay, in addition to the current Transbay Tube. Though the specific alignment remains to be seen, this route will inevitably 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.

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.

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 office buildings. However, current zoning does not permit towers on a small lot. Some of the smaller lots would be built as residential towers, and without height limits would be built as office towers, parcels of less than 8,000 square feet would be built as residential towers, and 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. 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 developments go forward with growth 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.

The total does not include jobs that could be added downtown in the hotel, restaurant and other service industries, and so the number serves as a lower bound. For commercial office towers, we assume a 500,000-square-foot building, with a height of 350 feet, where each worker requires roughly 210 square feet of office space. For residential towers, we assume a 24-story building of 240,000 square feet. For smaller lots without height limits, we assume a building of four 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 400 square feet.

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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.

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. Allowing taller buildings could increase the total potential number of jobs and/or residents in downtown.
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 Arts students giving impromptu performances in Frank Ogawa Plaza, young and old alike should feel welcome downtown.

Downtown should encourage 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 maintain and strengthen its neighborhoods and their distinct characters.

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.
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. 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.

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. 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.

What Are Downtowns For?

In previous SPUR publications, we’ve made the case that downtowns are one of the greatest achievements of American urbanism. 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 from 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 those that value face-to-face interaction. Downtowns attract a variety of industries, they provide a wide range of jobs and opportunities to a city’s — and region’s — residents.

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.


Source: SPUR analysis of BART data. See: http://www.bart.gov/about/reports/rideshare

25 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.
Grow 50,000 more jobs in downtown and create pathways to get people into them.

The most dynamic and economically successful downtowns are major job 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.18 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)19 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 Oakland would establish a major trend of adding 40 to 200,000 jobs over 25 years. If all the jobs were in new office buildings, this would mean adding about one new building the size of TIF Forebay every two years.20 While this overall growth represents a 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 2015.21 The gap could narrow if the rapid increase in San Francisco rents slows and/or if downtown Oakland’s office market gets stronger.

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, especially related in 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 an entire 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.22 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 2015.23 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 firms. (In 2013, she looked at 16,000 square feet in historic Latham Square building for all of its employees) and professional services firms like Gensler (which established a major office in downtown Oakland while retaining its headquarters in San Francisco).24 While such relocations are possible, this is not where most job growth typically comes from.

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 4.2 percent of job gains and losses.25 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, Sugvncf, Mfcmce and BrightSource Energy. The city is recognized nationally as a great place for startups (3rd nationally, according to Popular Mechanics and Fast Company)26 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.”27 Helping everyone benefit means increasing access to jobs by developing new programs that connect young adults 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

18 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 the Economic Community and the City of Oakland of the US Census’ Longitudinal Employer-household Dynamics program (LEHD) data. For other US cities, we relied on an analysis by Paul Levy and Lauren Girshick of the Philadelphia City District in their report “Downtown Rebirth Documenting The Live-Work Dynamic in 21 Century U.S. Cities” prepared for the International Downtown Association. 2013. Available at http://definingdowntown.org/wp-content/uploads/docs/Defining_ DowntownReport.pdf
22 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. Most relocations to downtown Oakland are from San Francisco. See: DTZ, “East Bay Oakland Office Market Snapshot.” Available at: http://dtz.co.uk/sites/default/files/images/-market-research/oakland-market-reports/2015/09/22/markets/ou/sf-20150922.pdf
23 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. Most relocations to downtown Oakland are from San Francisco. See: DTZ, “East Bay Oakland Office Market Snapshot.” Available at: http://dtz.co.uk/sites/default/files/images/-market-research/oakland-market-reports/2015/09/22/markets/ou/sf-20150922.pdf
27 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 16 percent Asian while citywide it is 27 percent. Both downtown and citywide, the workforce is less than 10 percent Latino while citywide it is over 30 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.49 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.

49 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

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 undersized 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.48 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

48 See: http://www.oaklandbusinesscenter.com

FIGURE 7
What Jobs Are in Downtown Oakland?

Downtown’s 44,000 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.)


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.

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.
Why It’s Hard to Develop Office Buildings in Oakland

Office Rents in Downtown Oakland and San Francisco

Since 1991, rents in downtown Oakland have ranged from $4 per square foot to $77 per square foot 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). In 2015, downtown Oakland rents remained below $45 per square foot. 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. Development 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 in markets where rents were 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.

Perceptions about public safety and political leadership have impacted investment. The good news is these historical challenges are changing. If several high-profile tenants sign leases at a competitive rate, demand can shift, increasing confidence among lenders and developers. $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. 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.

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 it will be profitable to lease.
**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. 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. 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.
- The city 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.
- The city should develop 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.
- 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 to add 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. 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 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.

**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 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. 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.

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. 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 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. 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.

**Downtown Oakland**

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.
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. 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 need. For example, the Chamber of Commerce is one of the institutions that should help articulate the tools to make sure they apply as compelling candidates. Students who are seeking internships and provide applicants with internship programs, as well as a service learning program. 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 see 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 larger 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.

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 colleges 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 open.

The City of Oakland has been developing this approach through its summer jobs program. The “jobs squad” mission was to 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. For students, a successfully aligned system would begin on providing training funds for Oakland residents. There are also evidence of how affordability decreases — an essential to make sure that existing residents are able to stay and participate in the evolution of downtown.

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. 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 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 568 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 and old downtown, have had residential populations for many decades. Other areas, like Uptown and old downtown, have added thousands of residential units in the years following former Mayor Brown’s 10K Plan. 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 weekend evenings and on weekends. This will increase local amenities and public safety. Over time it will 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 — an essential to make sure that existing residents are able to stay and participate in the evolution of downtown.

32 SPUR REPORT SEPTEMBER 2015 A DOWNTOWN FOR EVERYONE 33 SPUR REPORT SEPTEMBER 2015 BRING 25,000 MORE RESIDENTS TO DOWNTOWN
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 new units, a review determined 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 investments like pedestrian-focused “scramble” intersections make downtown more attractive to residents.

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. "In downtown Oakland (including Jack London plus Uptown and Old Oakland), and another 1,030 are allowed in the Valdez Triangle portion of the Broadway/Valdez Specific Plan. 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. 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.

More than 80 percent of the residents in downtown are renters, far more than the city-wide average of about 50 percent. 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. To afford this average unit, a renter would need to earn a minimum $12,500 per year on average. This is more than double the existing median income for Oakland.

We believe it is essential to make sure existing residents can afford 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 all rental units that were built before 1985. Units in rent-controlled buildings can only increase at the rate of inflation (measured by growth in the Bay Area 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 excessive damage.

These existing rent protection laws alone are insufficient to maintain the affordability of rental units in downtown over time. When market rates dominate, downtown can lose some renters and becomes the landlord of existing rent-controlled housing, the rent a landlord can charge for that unit goes up to the market rate. In many cases, the new rent charged would not be affordable to the residents who are leaving. 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.

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

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.

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.
- 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. 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 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. 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. 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. 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. We believe acquiring existing buildings and converting them to deed-restricted affordable housing units is an appropriate use of affordable housing funds.

- To secure major funding for a building acquisition program, such as through 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. 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. 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. 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. We believe acquiring existing buildings and converting them to deed-restricted affordable housing units is an appropriate use of affordable housing funds.
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 income levels, as so many households cannot afford market-rate rents or home prices. SPUR has long supported expanding investment in and funding for affordable housing. 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 ($82,900 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.81

- 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 exist exploring a local housing bond, which would be financed by property taxpayers throughout Oakland.82

Funds from housing bonds can be spent either building new affordable housing or acquiring and rehabilitating existing housing, as discussed in Recommendation 5.83

- 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.84

80 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 905,000 people from 2010 to 2014. See: http://ww2.kqed.org/news/2015/03/26/youre-not-crazy-the-bay-area-is-getting-way-more-crowded.


84 This report 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 905,000 people from 2010 to 2014. See: http://ww2.kqed.org/news/2015/03/26/youre-not-crazy-the-bay-area-is-getting-way-more-crowded.

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

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

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.80 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, 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.
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. 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. 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 1-580.45

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

Every 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 15 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 what fee might be set 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 economically 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 $11.95 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.)46

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 high rent differentials 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. 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

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.

45 See: http://www2.oaklandnet.com/Government/o/PBN/OurServices/Pars/DA00060135
48 MTC’s 2006 analysis of Alameda County determined that residents whose jobs were within half a mile of a 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 did not work nearby, they only took transit 12 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://data.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
52 See: http://www2.oaklandnet.com/Government/o/PBN/OurOrganization/PlanningZoning/DOWNDD00009140

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mile of regional transit stops for office development. 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 commercial 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 to build 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. 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 over the podium. As the building is taller, it will also be more expensive to build. Furthermore, the 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 implementors: 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 redevelop. 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, city planners would be able to identify and develop 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 would be converted to points and additional money would be injected 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 greater 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.
As downtown Oakland continues to improve, there are still some minimum parking requirements in downtown. Parking can be sold or rented separate from the unit. But there are demands for affordable housing and allowing the “unbundling” of parking to be used for additional housing units, offices or retail spaces. The city should control demand for parking, requiring parking to be less important. We recommend the following key steps:

- **Establish minimum parking requirements:** The city should eliminate both minimum parking requirements and the “in lieu” parking fee for new development ($20,000 fee developers must pay for each required parking space). The analysis could be part of an annual monitoring report.

- **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. 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 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 system to better meet demand when the supply of parking is reduced downtown.

- **Set performance targets and standards for downtown to meet them over time.**

**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 proportion of new jobs to regional transit and the percentage of transportation trips that are being taken by 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.

**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). This 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 1980s, a group of commercial property owners formed a TMA. 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 76 percent of employees arriving on transit and fewer than one-quarter in private automobiles.

[869x58] SEPTEMBER 2015

[870x65] private automobiles.

[878x49] See: http://www.tmasfconnects.org

[904x58] San Francisco has an Entertainment Commission that supports and regulates nightlife and entertainment venues. See: http://www.sf-planning.org/index.aspx?page=1663


[909x58] See: http://www.tmaworkrewards.org

[934x67] SEE PAGE 43
Create inviting public spaces and streets as part of an active public realm.

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

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 pediments 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.

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 ZO! 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.
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- Limit or discourage aboveground parking. If it exists, it should be wrapped by other uses, such as housing, retail or office space.
**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 crossed 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 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 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 refocus 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 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, appropriate facilities for people biking and walking.

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

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.

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CREATE INVITING PUBLIC SPACES AND STREETS
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, Department of Planning & Building

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.**

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

**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 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.

• 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 pedestrian’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

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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.84 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.

**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 unwelcoming. BART signage at Frank Ogawa Plaza is faded and illegible, while the sidewalks on 8th Street BART is narrow and so cracked that it’s dangerous to walk on. Downtown and Oakland deserves 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. 

- **Station canopies and bus stops should use a common architectural language and be well integrated with surrounding development.** The new canopy at 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 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 designed with art, people are more likely to take transit,85 will walk farther to transit stations and will wait longer.86 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.


86 Other original squares, such as Jefferson Square and Chinese Garden Park, suffer from being located directly adjacent to I-880.
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 César Chávez 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, attract more business for the restaurants facing the plaza, and 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, attract more business for the restaurants facing the plaza, and

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.

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-880, 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 I-880 (such as the headquarters of the Oakland Police Department) should be retrofitted to bring active uses to I-880.

• Install better-quality art projects in the underpasses. Some of the I-880 underpasses do have art, such as the sculptures made by Caltrans alongside roadways along Broadway, but it does little to enhance the pedestrian experience. The art under I-880, where conditions are unwelcoming, should do double duty by including lighting, providing wayfinding cues or educating passersby about the history or identity of the neighborhood.

• 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.

• Offer better-quality art projects in the underpasses. Some of the I-880 underpasses do have art, such as the sculptures made by Caltrans alongside roadways along Broadway, but it does little to enhance the pedestrian experience. The art under I-880, where conditions are unwelcoming, 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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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). 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.

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.) 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 25,000 to 36,000 per day and increase transit travel time along the corridor between 25 and 28 percent.

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.

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.

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 signals 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. 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...
be aligned on priorities for construction projects and funding sources. Further, the conversation has ranged across both short-term and long-term views, identifying specific near-term improvements that lay the groundwork for later and broader 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.188 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. 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 down the street. Oakland City can and should fund programs from Alameda County’s 2014 Measure B sales tax increase for such a project. The idea here, the conversation should range across the city faces a challenge in branding, legibility and getting there are at least 1,000 of those riders are choosing the B instead of existing bus service, resulting in a revenue loss of over $580,000. 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.

To provide a unique branded bus that will lure more visitors to downtown and, on the contrary, 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 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

• Group buses that share a similar direction at the same bus stop to make them more useful for intra-downtown trips.

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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.

• 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.

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:

• 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 operational simplicity of 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.

188 See: http://www.actransit.org/maps
189 Among the 2,700 riders on South Street downtown, only the 58L, 72L, 72C and 72R lines continue south of 7th Street. Only one route (51A) operates on Broadway north of 25th Street.
190 See: http://www.bettermarketstreets.org
191 See: http://www.actransit.org/oa
193 Ibid.
196 See: http://www.actransit.org/maps
197 Among the 2,700 riders on South Street downtown, only the 58L, 72L, 72C and 72R lines continue south of 7th Street. Only one route (51A) operates on Broadway north of 25th Street.
198 See: http://www.bettermarketstreets.org
199 See: http://www.actransit.org/oa
201 Ibid.
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. 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-freedom bus 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.

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 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.

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-880’s off-ramps.

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.

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.

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.
Similarly, along I-80, the city and county should explore removing off-ramps at 14th Street and redirecting drivers to the off-ramps at 10th and 118th 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.114

**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 — at 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, a car-sharing system 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, Hel La 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.115 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 Birdi, 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 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.116 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 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.117

See: http://www.mtc.ca.gov/news/current_topics/bike/bikeshare.html

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115 See: http://helladrides.com

116 See: http://trafficsafety.healdsburgjournal.com

117 See: http://traffic.berkeley.edu/berkeley_bike_share Panther Photo
A DOWNTOWN FOR EVERYONE

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

**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. Without a DOT, Oakland has also missed out on available funding 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’s 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-880, the undergrading of freight and passenger rail in Jack London, and the undergrading of interstate I-880.

The freeways and associated auto-oriented planning of the pastwar 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-880, 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. 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.

   A new rail 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 Terminals, it could be a key component in defining the future of Jack London. And if it uses the I-880 right of way, the rail line could help bring new employment opportunities to a new rail hub adjacent to West Oakland.

   120 SPUR produced a video about the benefits of a second rail tube. View the video here: http://www.spur.org/bay2015/08/04/how-act-17-reflect-more-people-cross-bay

   121 Ibid.

   122 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 can be considered a silver bullet. 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 I-880 right of way as a multimodal transportation corridor that opens up publicly owned land to other uses and reconnects West Oakland to downtown.

I-880 was planned to be a connector to a second transbay bridge that was never built. Today, I-880 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-880 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-880, 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-880 into a surface boulevard. This is based on an argument that I-880 as a freeway carries only 70,000 cars per day in this segment, 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-880 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

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.
# Plan of Action

**BIG IDEA 1**
Grow 50,000 more jobs in downtown and create pathways to get people into them.

<table>
<thead>
<tr>
<th>Recommendation</th>
<th>Outcome</th>
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<tbody>
<tr>
<td>1: Make downtown Oakland a great place to form and grow businesses.</td>
<td>✓</td>
</tr>
<tr>
<td>2: Develop a strategic vision for publicly owned property to serve economic development goals.</td>
<td>✓ ✓ ✓</td>
</tr>
<tr>
<td>3: Create alignment between the education and workforce systems to help students and workers get on pathways to good job opportunities downtown.</td>
<td>✓ ✓ ✓</td>
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**BIG IDEA 2**
Bring 25,000 more residents to downtown at a range of incomes, and enable existing residents to remain.

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<tr>
<th>Recommendation</th>
<th>Outcome</th>
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<tr>
<td>4: Ensure sufficient capacity for new housing and improve amenities to attract new residents.</td>
<td>✓ ✓ ✓ ✓</td>
</tr>
<tr>
<td>5: Enforce current rent protections and experiment with new ownership models to allow existing residents to stay in downtown as it evolves.</td>
<td>✓ ✓ ✓</td>
</tr>
<tr>
<td>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.</td>
<td>✓ ✓ ✓</td>
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**BIG IDEA 3**
Set clear and consistent rules for growth to make downtown a better place for everyone.

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<tr>
<th>Recommendation</th>
<th>Outcome</th>
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<tr>
<td>7: Set financially feasible impact fees in order to maximize revenue while enabling new investment to take place.</td>
<td>✓ ✓ ✓</td>
</tr>
<tr>
<td>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.</td>
<td>✓ ✓</td>
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<tr>
<td>9: Establish minimum densities for new development.</td>
<td>✓ ✓</td>
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<tr>
<td>10: Update historic preservation rules to ensure preservation of key buildings while encouraging adaptive reuse and modern development on adjacent properties.</td>
<td>✓ ✓</td>
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<tr>
<td>11: Continue welcoming entertainment and nightlife in downtown.</td>
<td>✓ ✓ ✓</td>
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<tr>
<td>12: Eliminate minimum parking requirements and institute parking maximums over time.</td>
<td>✓ ✓ ✓ ✓</td>
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<tr>
<td>13: Set performance targets and standards for downtown, and adjust policies to keep Oakland on track to meet them over time.</td>
<td>✓ ✓ ✓</td>
</tr>
<tr>
<td>14: Establish a downtown implementation team to coordinate efforts between city departments.</td>
<td>✓ ✓ ✓ ✓ ✓</td>
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continued on next page
Recommendation 15: Improve urban design guidelines, focusing on how the ground floor of buildings activates the street and the entire public realm.

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

Recommendation 17: Establish a comprehensive and unified approach to wayfinding in downtown.

Recommendation 18: Make walking around downtown Oakland a pleasure, and ensure that pedestrians are safe from automobiles.

Recommendation 19: Make transit stations and their immediate vicinities welcoming gateways to downtown.

Recommendation 20: Invest in a network of beautiful new and existing public spaces throughout downtown.

Recommendation 21: Establish a closer working relationship between the City of Oakland and all transit operators that serve downtown.

Recommendation 22: Redesign the local bus system to be easy to use, and align it with the locations of future growth.

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.

Recommendation 24: Create a world-class biking network throughout downtown.

Recommendation 25: Deliver traffic signal timing that improves travel on downtown streets for all modes of transportation.

Recommendation 26: Close or remove freeway off-ramps to regain space in downtown.

Recommendation 27: Actively manage parking in the downtown area.

Recommendation 28: Embrace ride sharing and car sharing as effective ways to reduce reliance on privately owned vehicles.

Recommendation 29: Concentrate bike-sharing stations in a contiguous area in and around downtown.

Recommendation 30: Build a Department of Transportation, and create a capital plan to prioritize and identify funding for infrastructure projects in downtown.