

Street Smarts

by Marco Li Mandri

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To Deborah Boyer and J.C. Wallace, representatives of two Bay Area firms with real estate investments in Oakland's central business district, the streets of downtown and uptown Oakland are some of the biggest selling points whenever they pitch companies on relocating to the area. When they walk down a short, tree-lined section of Broadway, the more than five-mile main artery that cuts through downtown Oakland on its way from the Jack London Waterfront to the Oakland Hills, the two real estate executives pass a dizzying array of restaurants, bars and coffee shops.

“This is where our business development really starts – at the street level, with places where workers can grab a mid morning coffee, a bite at lunchtime and perhaps a drink or dinner after work,” Boyer says, who in addition to overseeing management of Bay Area properties, including the 1-million-square-foot Kaiser Center office complex on Lake Merritt, for San Francisco's The Swig Co., is also the president of the Lake Merritt/Uptown District Association (www.lakemerritt-uptown.org), one of two community benefit districts responsible for improving the look and image of Oakland's central business district.

Formed in March 2009, following an overwhelming vote by property owners to submit to a voluntary property tax for the next 10 years, the Lake Merritt/Uptown District and Downtown Oakland Associations (www.downtownoakland.org) provide maintenance, safety and security management, as well as cultural and community enrichment in a 56-block area of the city. That means anything from staffing teams to remove graffiti, clean up sidewalks, empty trashcans, and be visible on the street to deter and report criminal activity, to providing financial support and logistics for concerts and cultural events.

Unlike most business improvements districts (BIDs), however, there's a tangible bias in Oakland's CBDs toward business development. "Businesses are the lifeblood of any city's economy and that means they are also the lifeblood of its property owners whether they be big commercial landlords, city agencies, nonprofits, small shopkeepers or people renting out their homes," says Wallace, a senior vice president with SKS Investments and Boyer's counterpart in the downtown district. "We knew when we formed these districts that bringing in business would be the biggest contribution we could make to the future of Oakland." Part of that commitment includes support for networking and idea-sharing groups such as INOAK, which holds monthly meetings at local venues in which digital entrepreneurs and startups can mix with other local businesspeople, city officials and others to meet and exchange ideas. Among the regular attendees, executives and staff of Pandora (www.pandora.com), the Oakland-based personalized Internet radio service that went public in June. The company has been in strong hiring mode since the IPO.

In addition to creating a culture of business development, the districts also benefit from their central position in the geography of the Bay Area. "The old real estate adage is 'location, location, location' but it's true to say that Oakland's location really is at the center of the broadest commute sheds in the Bay Area for high level workers," Wallace says. The city's proximity to the campus at University of California at Berkeley, and the ease of access across the bay to UC San Francisco and Stanford University also provides a deep pool of talent.

The location and access to human capital has made the city a magnet for a broad range of companies from longtime occupants like health care giant Kaiser Permanente to newcomers such as Pandora. Both companies are actively committed to the community benefit districts and are witnesses to the impact they have had on their workforces.

Oakland also enjoys access to public transit and other transportation options that make it the envy of many Bay Area communities. The city has two major transfer stops on Bay Area Rapid Transit (BART) – the fifth most heavily used public transit system in the United States – and is central to each of the five commute lines used daily by more than 350,000 riders. In fact, when San Diego-based Cubic Transportation Systems, which installed and operates BART's ticketing machines, was looking to relocate its maintenance team – then based beyond the East Bay hills in Concord – in a more central location, it chose downtown Oakland because the end of each line was within a half-hour ride. BART itself is also headquartered in uptown Oakland.

Companies are also attracted to the environmental benefits of Oakland. "The fact that Oakland offers excellent public transit options – rapid transit, buses, trains and ferries – and companies located in the CBD are five minutes from an

international airport – means you have a city with an extremely narrow carbon footprint,” Boyer says. Sustainability is not a factor often associated with cities like Oakland but the fact is that because of its transport options as well as the city's push for environmental consciousness, the city is fast becoming one of the greenest in the country. In fact, it's consistently ranked in the top 10 in the country for sustainability. That's one reason the city is becoming a super-cluster of green innovation and has fuelled more green starts ups than San Francisco or San Jose. Sustainability runs to the street level too, with the Oakland Shines program providing energy solutions and free audits to businesses and property owners. Many landlords have also been aggressively pursuing LEED certification for their buildings, The Swig Co.'s Kaiser Center being the latest -- and largest – existing commercial office building to achieve LEED Gold status. SKS' planned development project at 1100 Broadway is pre-certified LEED Platinum.

Sustainability is just one reason Oakland recently ranked second among Newsweek's “America's 20 Can-Do Capitals,” the magazine's 2011 analysis of more than 200 American cities and their performance and prospects coming out of the recent recession. Other factors taken into account for the ranking: livability, transportation and infrastructure and business development.

Which takes us back to the community benefit districts. “We're here to help business thrive in anyway and everyway we possibly can, because that benefits the entire city – landlords, businesses, citizens, and yes, city coffers,” Boyer says.

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