



CEO Action for Racial Equity Oakland Community Update

June 2023

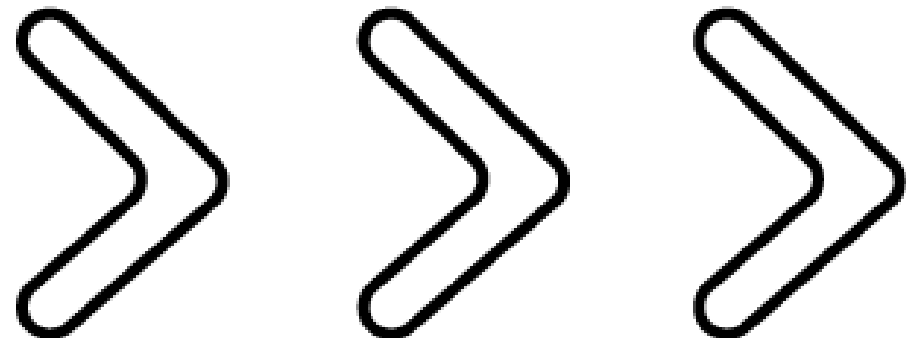


Our Mission

To identify, develop and promote scalable and sustainable public policies and corporate engagement strategies that will address systemic racism, social injustice and improve societal well-being.

Our Vision

To improve the quality of life for the 47M+ Black Americans through advocacy and advancement of solutions that seek to end systemic racism.



Today's Agenda

- ❑ Welcome
- ❑ Oakland Place-Based Overview
- ❑ Housing Equity Update
- ❑ Housing Equity: CEOARE's Vision for the Future
- ❑ Equity in Contracting Update
- ❑ Equity in Contracting: CEOARE's Vision for the Future
- ❑ Thank You!



Oakland Place-Based Overview

Oakland CEOARE Place-Based Fellowship Team



Kim Thompson

PricewaterhouseCoopers LLP
Oakland Team Leader

Rolling off End of June '23



Judy Jeffers

CSAA Insurance Group

Rolling off End of June '23



Myha Riley

PricewaterhouseCoopers LLP

Rolling off End of June '23



Dr. Aishwarya Krishna Iyer

PricewaterhouseCoopers LLP

Rolling off End of July '23

We thank you for your collaboration in working towards equity in Oakland

Our Oakland Place-Based work is wrapping up with the belief that we have made a positive impact on behalf of Black Oaklanders.

We believe that the ongoing work of the many community groups, non-profits and the current city administration will continue to help advance and advocate for contracting equity and will move the Enhanced Infrastructure Financing District (EIFD) forward to create more affordable housing designed with a racial equity lens focused on the East and West Oakland Black communities.

CEOARE Place-Based Platform

Our Fellowship launched our Place-Based platform during the summer of 2021 – Oakland was the first location.

Our approach acknowledges the strengths, assets, and leadership in communities, with a focus on driving policy change at the local level. It recognizes local work being done and seeks to build on that momentum.

Our aim is to bring corporate resources to the table to help focus and accelerate impact.



Oakland Place-Based Key Activities

- Community landscape mapping
- Stakeholder analysis
- City pillar gap analysis and understanding key themes
- Community listening
- Policy analysis
- Advocacy (written and oral)



Listening: Top Emerging Themes



We engaged over 60 Black Oaklanders on the city's parks and streets in live interviews. We heard from dozens more in focus groups and other curated conversations. We also analyzed publicly available research data to understand what are the critical equity issues facing Black Oaklanders.

These were the top themes:

- 1. Homeownership + Affordable Housing***
- 2. Economic Opportunities/Jobs***
3. Physical Safety + Freedom from Violence

**The Oakland Place Based Team focused its work on these two top themes*



Housing Equity Update

Every Oaklander has a right to high-quality and affordable housing in Oakland so they can live with security, peace, and dignity.



> Crisis of Unhoused Black Oaklanders

The estimated number of people living without permanent housing in Oakland (including a growing population living in vehicles) **has reached a high of 5,000**. Black Oaklanders make up **60% of the homeless population in the city, but only 23% of the general population.**^{1, 2}

> Rent Burden

It is more common among Black households to spend more than 30% of annual income on rent in Oakland, at a rate of **58.4%**, compared to 34.9% of White households.³

> Loan Denial Disparities

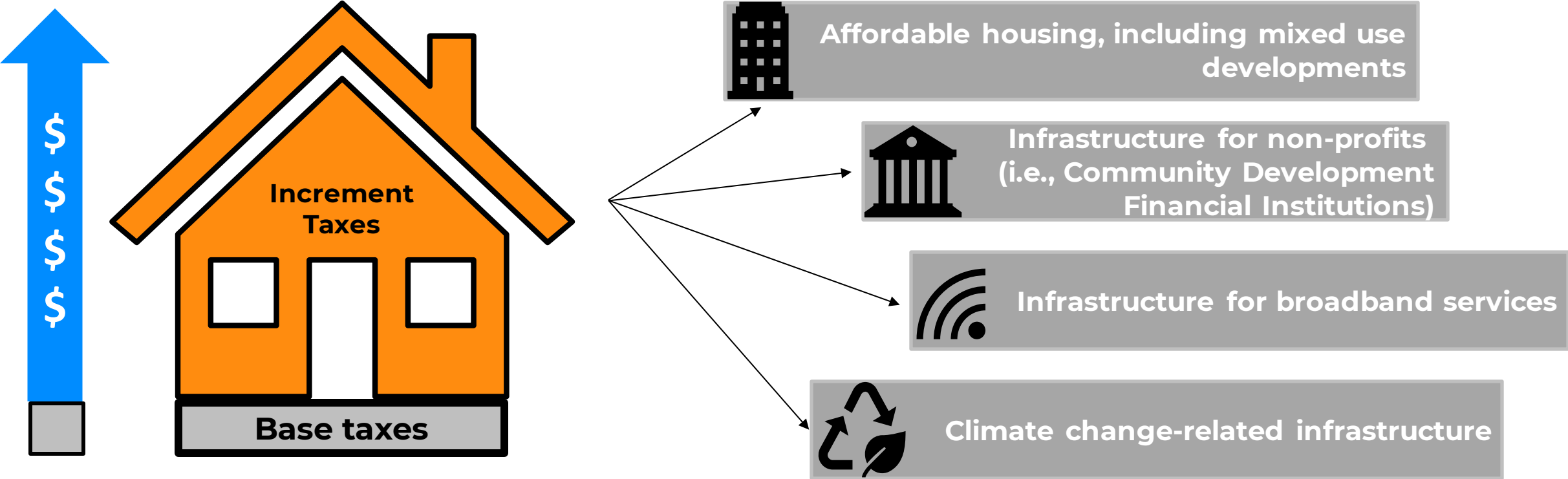
Black loan applicants in Oakland are more likely to have applications denied by financial institutions at a rate of **25.7%** compared to White applicants at 12.1%.³

> Inequalities in Homeownership

In 2019, **69%** of Black Oaklanders **did not own** their homes vs. 47% of White Oaklanders not owning their homes.⁴

Solution Overview: Enhanced Infrastructure Financing Districts (EIFDs)

EIFDs are a type of tax increment financing (TIF) used for community-wide benefit projects*. TIFs work by freezing the property tax revenues that flow in a designated project area to the city/county at the “base level” in the current year. Additional tax revenues in future years (the “increment”) is diverted into a separate pool of money for **up to 45 years** which can be used to fund affordable housing, economic development, etc. in a designated project area.



*EIFDs cannot fund services or commercial properties

Oakland-Place-Based Team Housing Equity Accomplishments



Collaborations

- **Amplified our messaging**
Influenced 10+ organizations, including C-suite members of local corporations and community-based organizations to write the Oakland City Council.
- **Galvanized the community**
Influenced community-based organizations and others to attend and speak at public city council/city finance committee meetings to influence Oakland policymakers' EIFD views.

Education & Awareness

- **Listened and elevated the voices of Black Oaklanders;** conducted listening sessions and subsequently published a report outlining our findings.
- **Created a video** to educate the CEOARE Fellowship, the Oakland community, and critical stakeholders on EIFDs.

Advocacy

- **Issued two important letters** to city officials.
- **Spoke with several city council members** and their staff to educate them on the issue.
- **Spoke at two public city finance committee meetings and two city council meetings.**

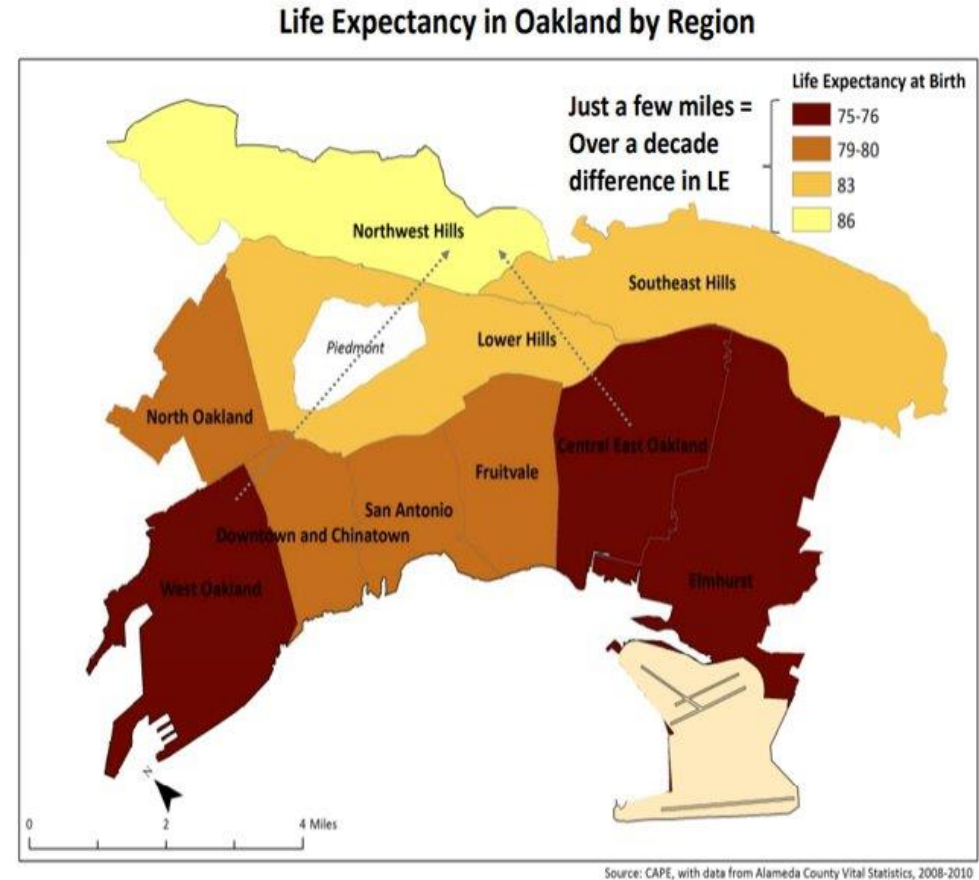




Housing Equity: CEOARE's Vision for the Future

Even with Measure U's passage the EIFD is still needed!

- Quality housing can impact life expectancy and can be essential to health equity
- West and East Oaklander's have the lowest life expectancy in the city⁵
- Oakland is required to create 10,000 affordable housing units by 2031⁶
- Two affordable housing solutions discussed
 - [Measure U](#) (Passed)
 - [EIFD](#) (Proposed)
- Combining oversight of Measure U and EIFD may help close existing gaps through project alignment and increasing funds for affordable housing for the most in-need communities in Oakland



<https://acphd-w eb-media.s3-us-west-2.amazonaws.com/media/data-reports/fact-sheets-presentations/docs/healthequity.pdf>

Oakland Affordable Housing Solution - Measure U



\$350M designated to affordable housing



Funding for 2,200-2,400 affordable housing units over the next four to six years.



Will need some city time/resources to implement:

Selection of projects for funding
Oversight of development and funding use





Community Oversight Committee provides oversight after projects selected and after funding use



Passed in November 2022


**Oakland
Affordable Housing
Solution
—
Enhanced
Infrastructure
Financing District
(EIFD)**

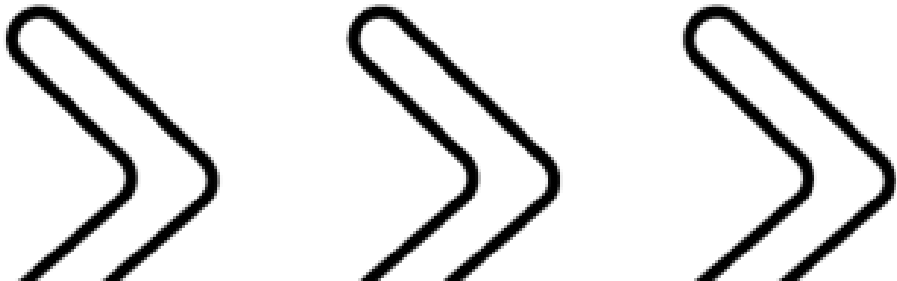
 Funding specific only to West and East Oakland

 A percentage of the tax increment from West and East Oakland for up to 45 years, exact amount TBD

 Funds can be used for affordable housing and economic development

 Governed by Public Finance Authority (PFA):
 Selection of projects for funding
 Oversight of development and funding use
 PFA includes government and community representation

 Proposed to be formed in 2023



EIFD Oversight: Makeup of the Public Finance Authority (PFA)



PFA with City Council Only:

- Three City Council members
- Two community members (chosen by City Council)



PFA with County Board of Supervisors:

- Two City Council members
- One County Board member
- Two community members (one chosen by the City Council, and one chosen by the County Board of Supervisors)

- What if the oversight and initial identification of projects for both Measure U and the EIFD were done by a single body?
- And what if that body was the EIFD Public Finance Authority?

A Win-Win for the city and the county

How the city can benefit:

- An EIFD can help Oakland mitigate the affordable housing emergency by sustainably funding housing and other necessary infrastructure
- New sources of funding will go into the EIFD
- If the city moves forward with the EIFD, other funding sources may consider participating
- Consolidated and coordinated decision-making on Oakland's affordable housing projects
- Anticipate a reduction of administrative expenses; aligned priorities

How the county can benefit:

- Having a county representative on the PFA would help provide insight into the Measure U spend (which may not otherwise happen)
- The EIFD aligns with County Health Services Agency's mission "to achieve health equity by working to [...] foster safe and healthy communities" *
- The county's greatest health inequities are in West and East Oakland, the same areas that Oakland is considering for the EIFD
- Multiple funding sources (city, county, foundation, private sector, etc.) can help increase likelihood of the EIFD moving forward and support overall success



A Win for the Oakland Community

- Access to additional pool of funds to pay for more affordable housing units
- Alignment between the City of Oakland and Alameda County affordable housing priorities
- Greater community input into Measure U spend on affordable housing
- Potentially reduce cost to city to vet projects and administer funds





Looking ahead:

- Advocate for an EIFD for East Oakland and West Oakland that includes mixed use infrastructure including affordable housing
- Advocate for community voices to be heard on what should be built, where, when and who should own
- Seek county involvement in the EIFD
- Seek philanthropic involvement in the EIFD



Equity in Contracting Update

TARGETED UNIVERSAL APPROACH TO EQUITY IN CITY CONTRACTING

Every Oakland city business deserves equitable access to contracts offered by the City of Oakland to help establish fairness in wealth-building opportunities.

Results of Oakland's most recent five-year* Contracting Equity Study

- **Construction Subcontract Disparities:**
Black Americans represent 17.86% of the available construction businesses and received only 1.83% of the construction subcontract dollars.
- **City Spending Disparities:**
Given the availability of Black American businesses, Black Oakland businesses were expected to have been awarded **\$42,862,662** more than they received.
- **Inequitable Contracting Opportunities:**
9 out of 91 construction contractors received 71% of the dollars awarded. In professional services, 45 out of 439 businesses received 70% of the city contract dollars awarded.
- **Professional Services Disparities:**
Black Americans represent **9.12%** of the available professional services businesses and received only **3.22%** of the professional services subcontract dollars.



Solution Overview: Equity in Contracting



Recognizing the inequities, in 2021, the city set up a **Contracting Disparity Action Team**

- The **Contracting Disparity Action Team** included community members, City Council members and City staff members.
- The team met monthly and had 6 subcommittees each with a different remit.
- CEOARE participated on the team and were members of two subcommittees:
 - The Local/Small Local Business Enterprise Program (**L/SLBE**)
 - The Disadvantaged Business Enterprise Program (**DBE**)
- The **L/SLBE program** subcommittee reviewed the existing L/SLBE program for enhancements designed to allow for more minority firm participation.
- The **DBE program** team considered ways that the city could increase the use of minority contractors where US Federal Dept of Transportation funds were used.
- Calendared meetings for the Contracting Disparity Action Team and its subcommittees have been put on hold since January 2023.



Equity in Contracting: CEOARE's Vision for the Future

Looking ahead:



- Contracting Disparity Action Team efforts aspire to revive:
 - Advocacy for updates to the Local and Small Local Business Enterprise Program that increases contracting to Black contractors and subcontractors
 - Advocacy for contracting requirement updates that will maximize Disadvantaged Business Enterprise (DBE) participation in city contracts funded with Federal Dept of Transportation (DOT) dollars

Questions or Comments

We Thank and Acknowledge the Following People for their Contribution to Our Team's Efforts:

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Pia Flannagan – CEOARE Alumni
Don Lowery – CEOARE Alumni
Dan O'Brien – CEOARE Alumni
Mario Scott – CEOARE Alumni
Amber Ferris – CEOARE Alumni
Aaron Fitzgerald – CEOARE Alumni
Marcus Alexis – CEOARE Alumni
Moire Rasmussen – CEOARE Fellow
Roz Brooks – CEOARE Fellow
Brennan Marshall – CEOARE Fellow
Felicia Williams – CEOARE Fellow
Julia Sessoms – CEOARE Fellow
MaryHelen Price – CEOARE Fellow

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Yvette Radford – Kaiser Permanente – CAC/Board
Mandela Bliss – Community member
John Bliss – Community member



Thank you to everyone who participated in any way in our efforts!

Let's all continue to advocate for societal racial equity in Oakland and across the country!



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