

# Oakland General Plan Update 2045

Industrial Lands  
Focus Group #2



OAKLAND 2045  
GENERAL PLAN

October 26, 2022

# Ground Rules

- One Mic, One Speaker- Please allow one person to speak at a time
- Treat one another with respect
- Use “I” Statements- use “I feel, I think, I believe” instead of generalizing
- Challenge the idea, not the person
- At this meeting, acknowledge existing conflict, assume good intentions and look for shared opportunities
- Expect unfinished business- not everything will be or can be addressed in this meeting, but all feedback is noted
- Focus on meeting topic. Other issues are important, and being addressed through different meetings/processes

# Objectives and Agenda

- Recap of Focus Group 1
- Provide background information on history, key trends in industrial lands and work completed to-date
- Continue discussion on vision, issues, and opportunities for the future of industrial land in Oakland

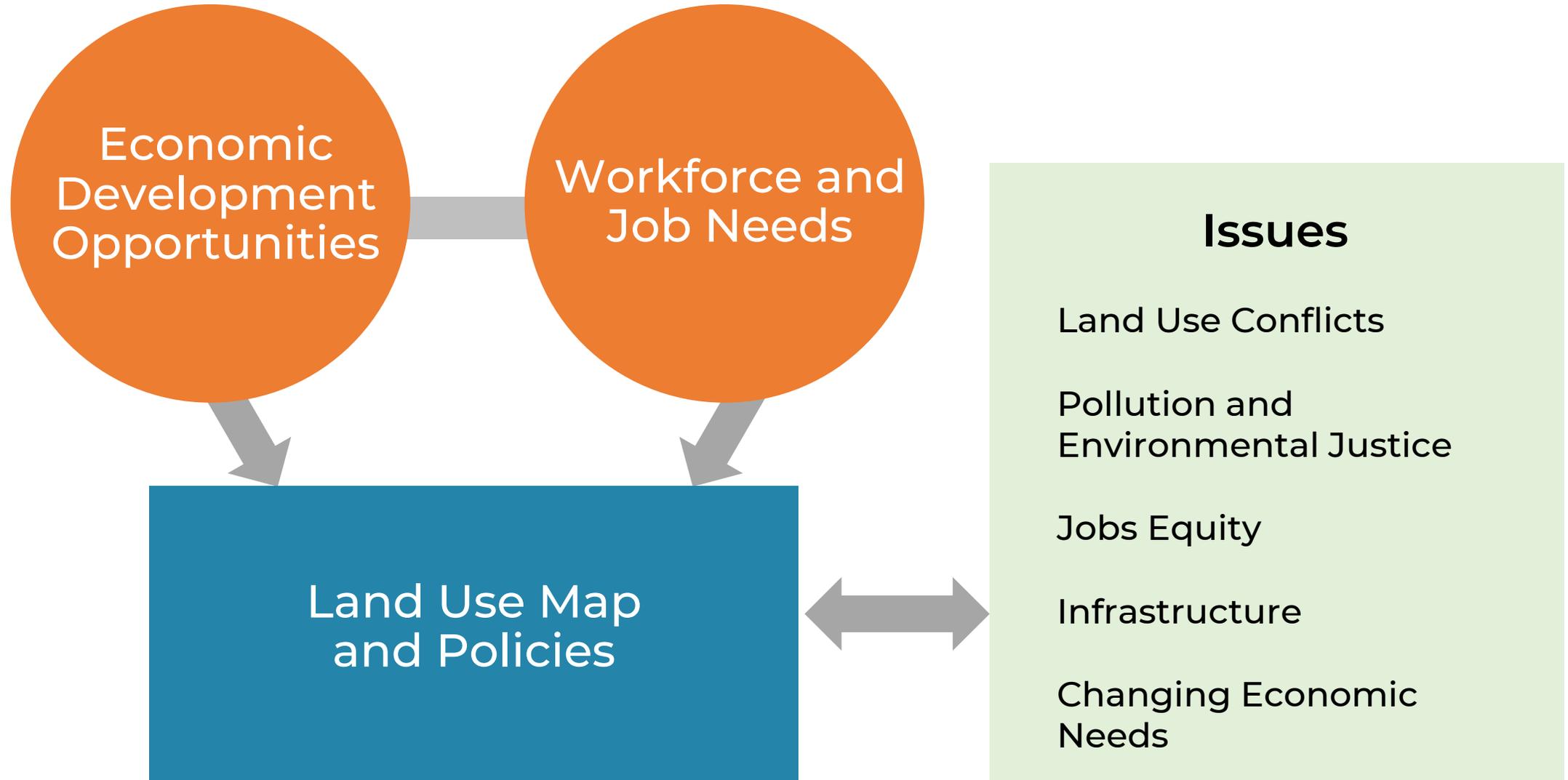


# Industrial Lands Study Purpose

- Current challenges and future trends affect the industrial landscape
- General Plan represents an opportunity to plan for a vision for this sector and create forward-looking policies
  - **Phase I: Recommendations**
  - **Phase 2: Land use alternatives and policies**



# Opportunities + Needs

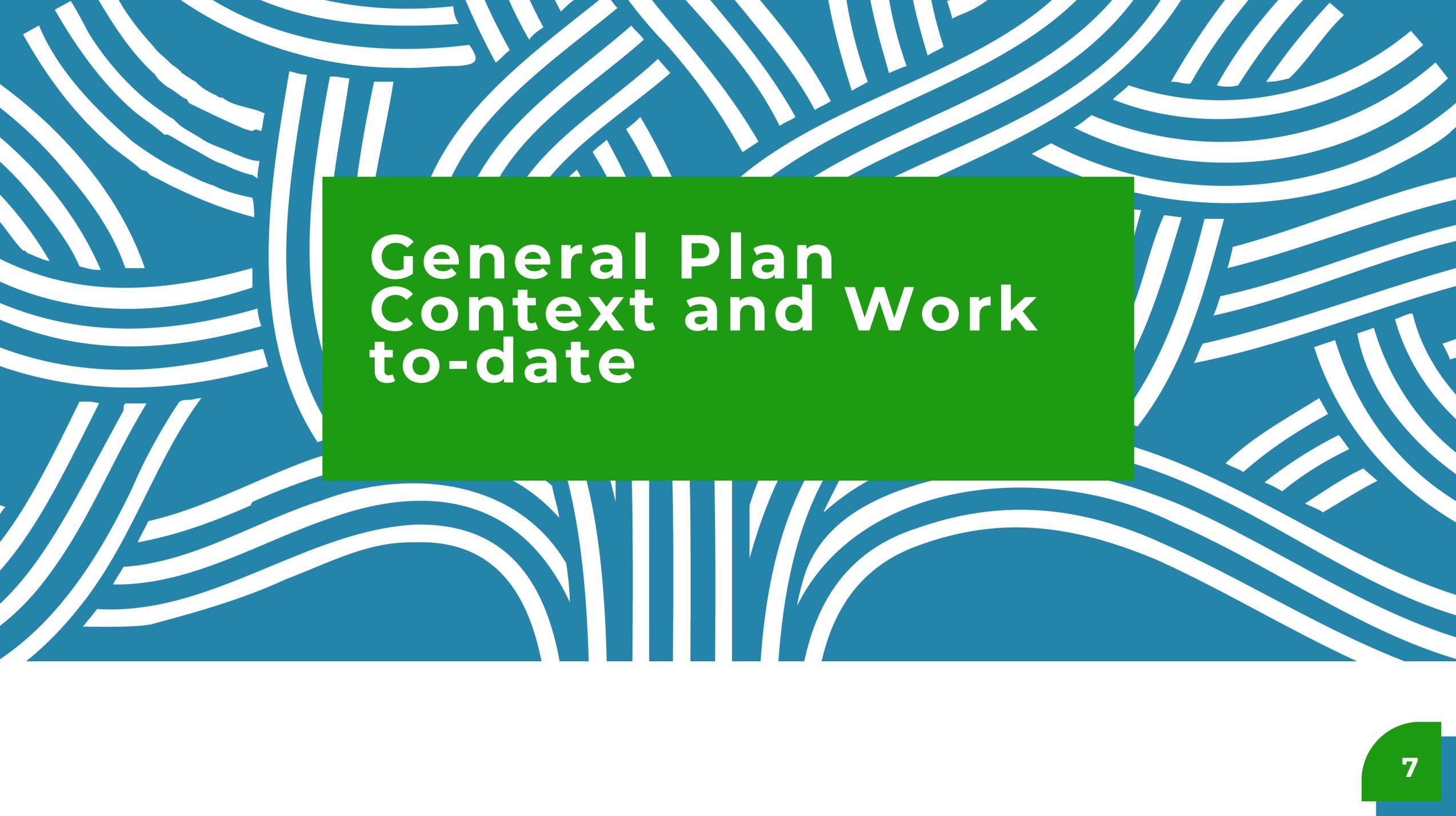


# Discussion

**Industrial Land Uses.** In the future, what type of industrial land uses do you envision in different parts of Oakland?

**Opportunities for Equity.** What opportunities do you see to reconcile the future of industrial land with environmental justice issues? How can the City work to overcome issues (pollution, burdened communities, residential/industrial conflicts, workforce development, etc.)?

**Needed Changes.** What type of changes are needed to accommodate the type of industrial land use you would like to see in Oakland in the future?



# General Plan Context and Work to-date

# Phase 1: November 2021 - 2023



## HOUSING

Addresses housing needs, at all income levels (2023-2031)

- Protect tenants and keep people in their homes
- Preserve existing stock of affordable housing
- Produce more affordable housing – lower-income
- Where housing should go



## SAFETY

- Identifies natural and human-made hazards (wildfire, earthquake, climate change, flooding, etc.) and ways to reduce impacts



## ENVIRONMENTAL JUSTICE

- Addresses health risks in pollution-burdened, low-income communities.



## INDUSTRIAL LANDS Vision

- Complements EJ Element
- Addresses job creation and industry impacts
- Direction for policies related to innovation-based manufacturing and sustainable “high-road” jobs in alignment with ECAP, WOCAP, etc.

# Phase 2: 2023 – 2025



## OPEN SPACE, CONSERVATION & RECREATION (OSCAR)



## NOISE



## LAND USE & TRANSPORTATION

Includes Estuary Policy Plan  
for areas below Interstate 880



## INFRASTRUCTURE AND FACILITIES ELEMENT

Overarching goals and policies for city  
infrastructure and  
capital improvements over the long term.

# Focus Group Themes

## Focus Group 1

- Economic growth possibilities
- Port of Oakland
- Feasibility and pros/cons of each industrial subsector (logistics, advanced manufacturing, life sciences, etc.)

## Focus Group 2

- Look and feel of Oakland's manufacturing districts, building stock characteristics, and infrastructure quality
- Zoning to achieve outcomes for desired types of industrial land uses
- Social and environmental justice issues

# Recap: Focus Group 1

- Limitations of Port land and growth opportunities
- Challenges in land use buffering- balancing industrial land uses with sensitive uses
- Concerns about employee safety and security and overall work districts “environment”
- Concerns related to permitting times, desire for smaller manufacturing spaces, cost of real estate
- Need for better road infrastructure, power, and fiber optics

# History

# Industrial Lands History

## 1930s-1950s

Oakland's first two industrial zoning districts established "Light-" and "Heavy-Industrial" (often designated over residential uses thus making those uses "non-conforming")

## 2008-2009

Industrial Zoning Update: CIX, IG, IO zones created; S-19 buffer created for hazardous materials; special rules to reduce impacts from recycling operations

## 1960s

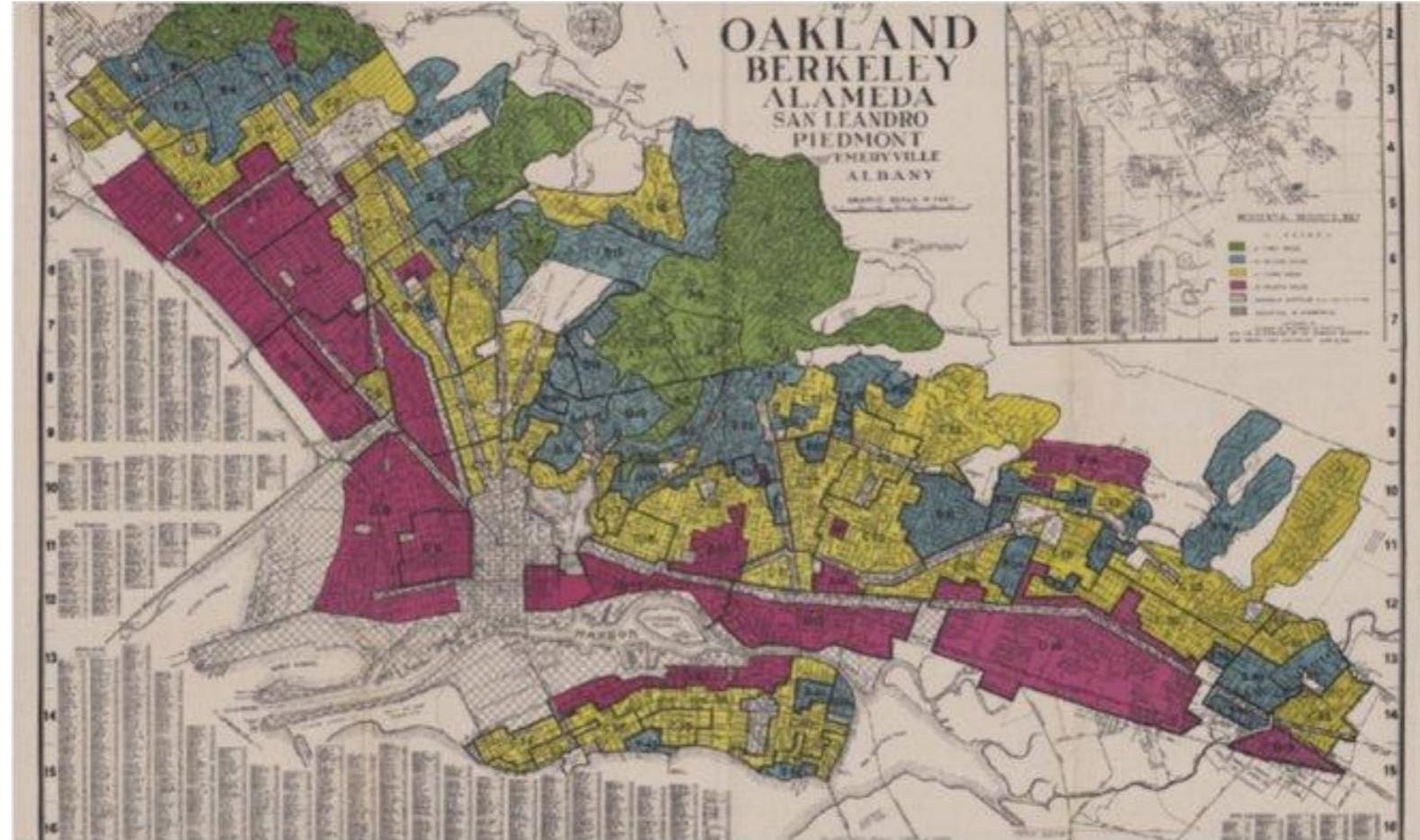
Industrial zones updated to the M-20, M-30, & M-40 zones, often adjacent to residential zones (and includes the "non-conforming" residential uses from the original industrial zones)

## 2014

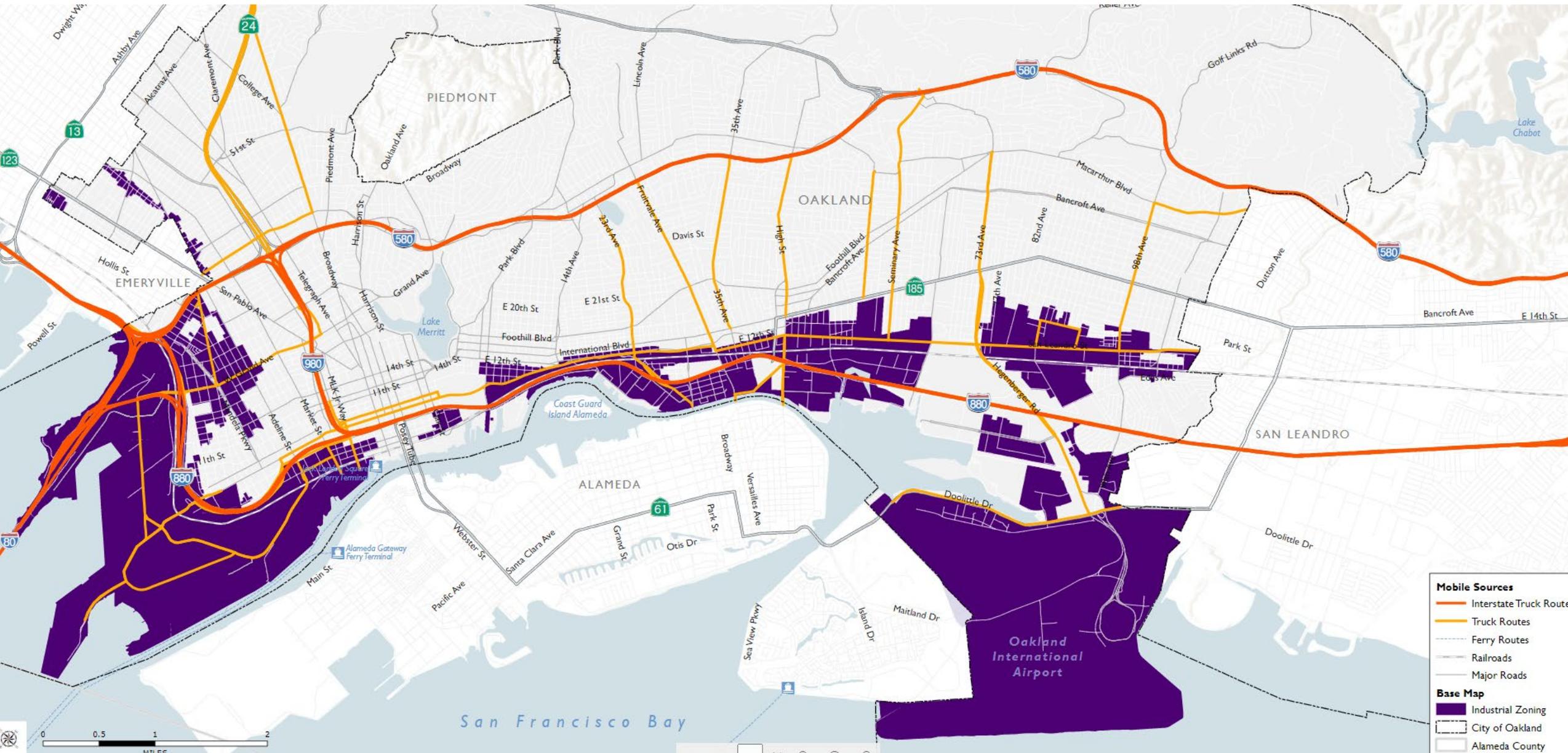
Industrial Zoning Update for West Oakland, many heavy industrial uses were prohibited

# Siting of Industrial Land

- Historically redlined communities more likely to be located near industrial lands
- Historically redlined census tracts in California have significantly higher rates of emergency department visits and worse health outcomes than non-redlined census tracts



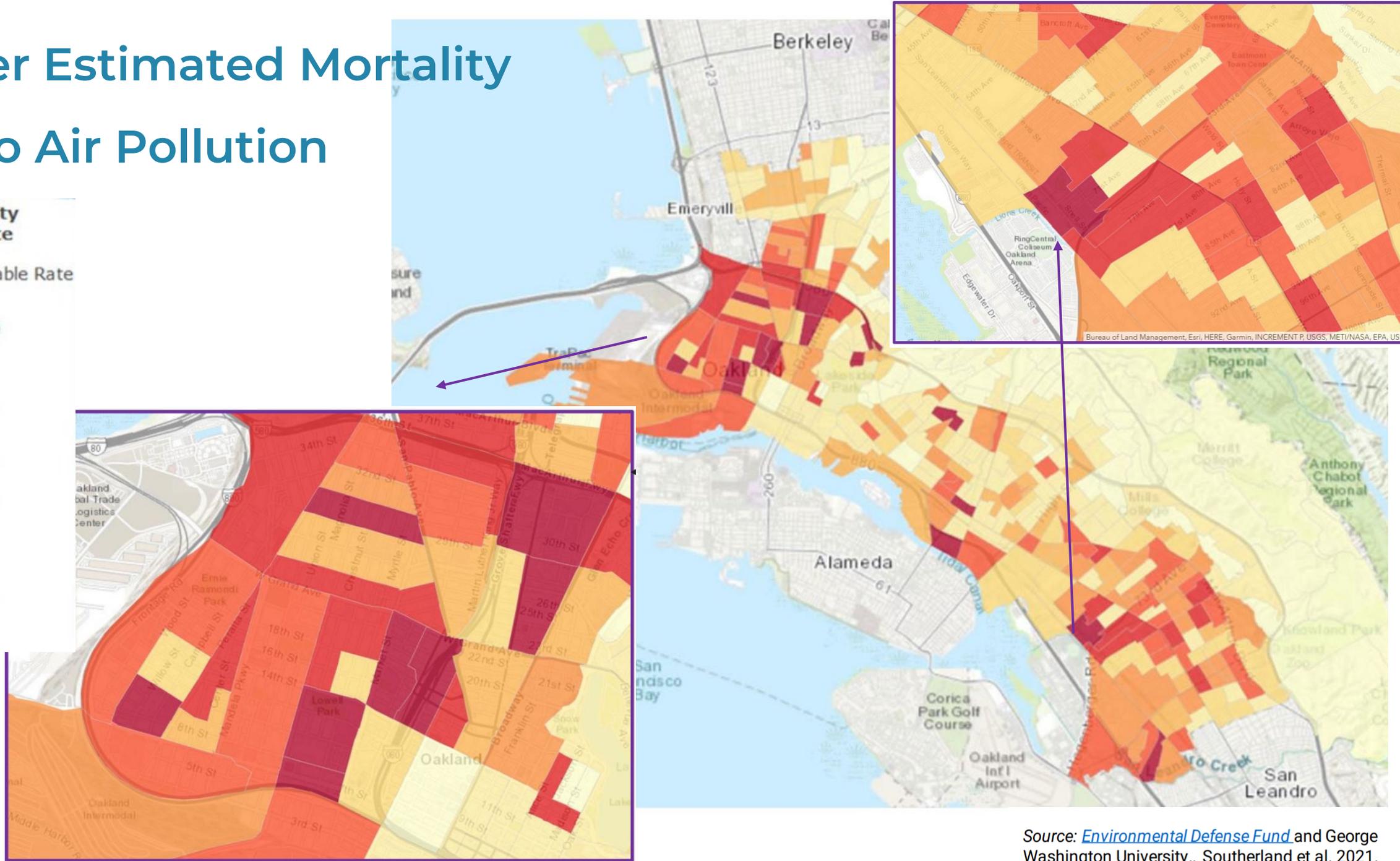
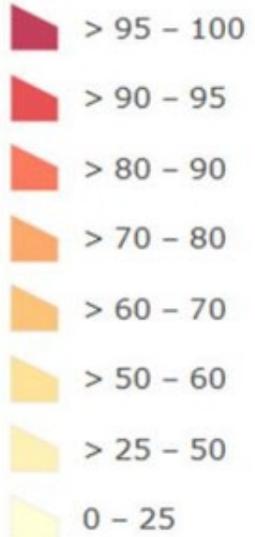
# Industrial Lands Today



# Higher Estimated Mortality due to Air Pollution

## Average Mortality Attributable Rate

### Mortality Attributable Rate Percent Rank



Source: [Environmental Defense Fund](#) and George Washington University.. Southerland et al. 2021.

# Work To-Date

## 2020

- “Current Conditions Report: Industrial Land Uses and Business Activities in Oakland,” Hausrath Economics Group, March 2020.

## 2021

- Community meetings and research on preliminary Planning Code updates to strengthen industrial land protection and address land use conflicts. *The General Plan effort is building on this work.*

## 2022

- Economic Trends and Prospects Report (June 2022)
- Focus groups with Environmental, Life Sciences and Commercial Developers (May 2022)
- West Oakland Toxics Tour (hosted by West Oakland Environmental Indicators Project, August 2022)

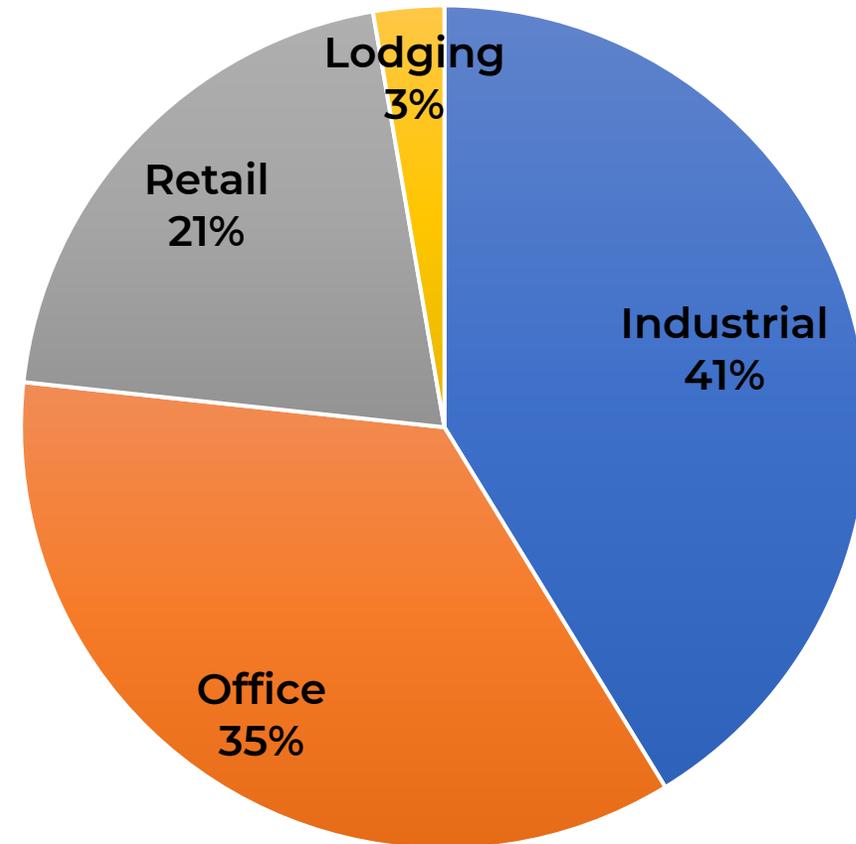


# Challenges and Opportunities for Industrial lands

# Industry and the Economy

- The industrial sector leads the city in terms of sheer building space
  - Likely represents a much larger share of commercial land area (due to low average square feet per acre of land, or “FAR”)
  - Lower employment density compared to office and retail

Distribution of Commercial Real Estate Space in Oakland



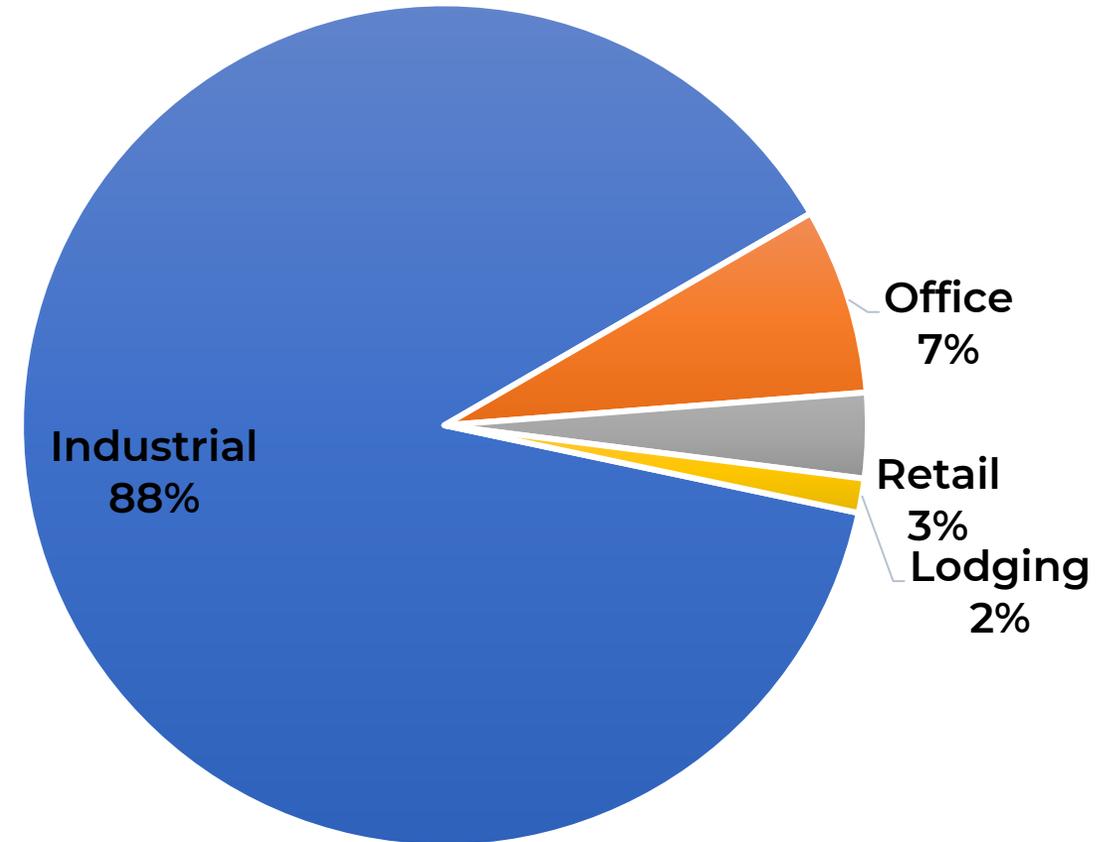
Note: Assumes 500 sq.ft. per room for Lodging

Source: “*Economic Trends and Prospects*,” Economic & Planning Systems, Inc. (2022).

# Industry and the Economy

- Industrial Lands mostly made up of industrial properties, but contains small amounts of office, retail, lodging, and residential
  - Airport and Seaport make up half of land area in Industrial Lands
  - ≈ 60% of all properties in the area are logistics facilities (warehouses and distribution centers)
  - ≈ 17% are manufacturing facilities

Distribution of Commercial Real Estate Space in Industrial Lands

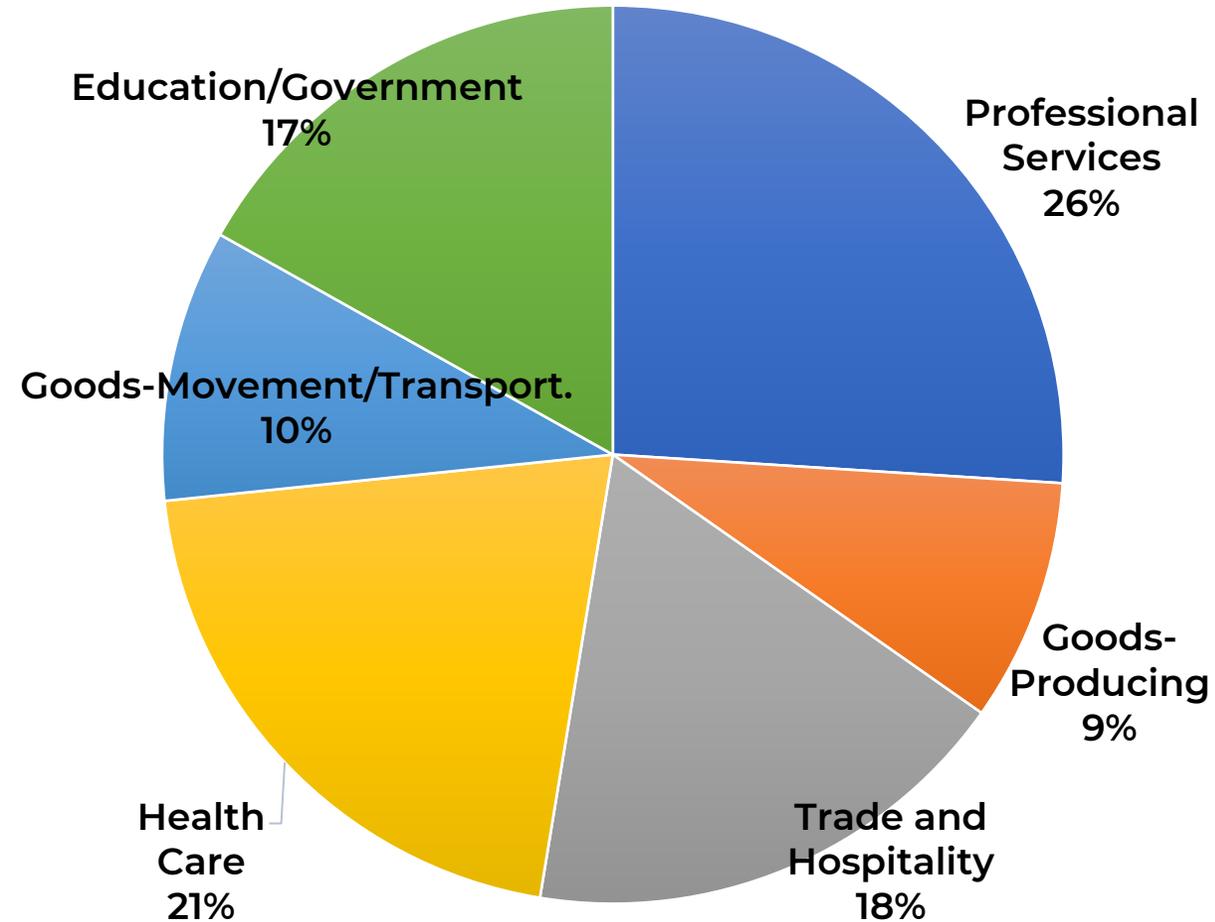


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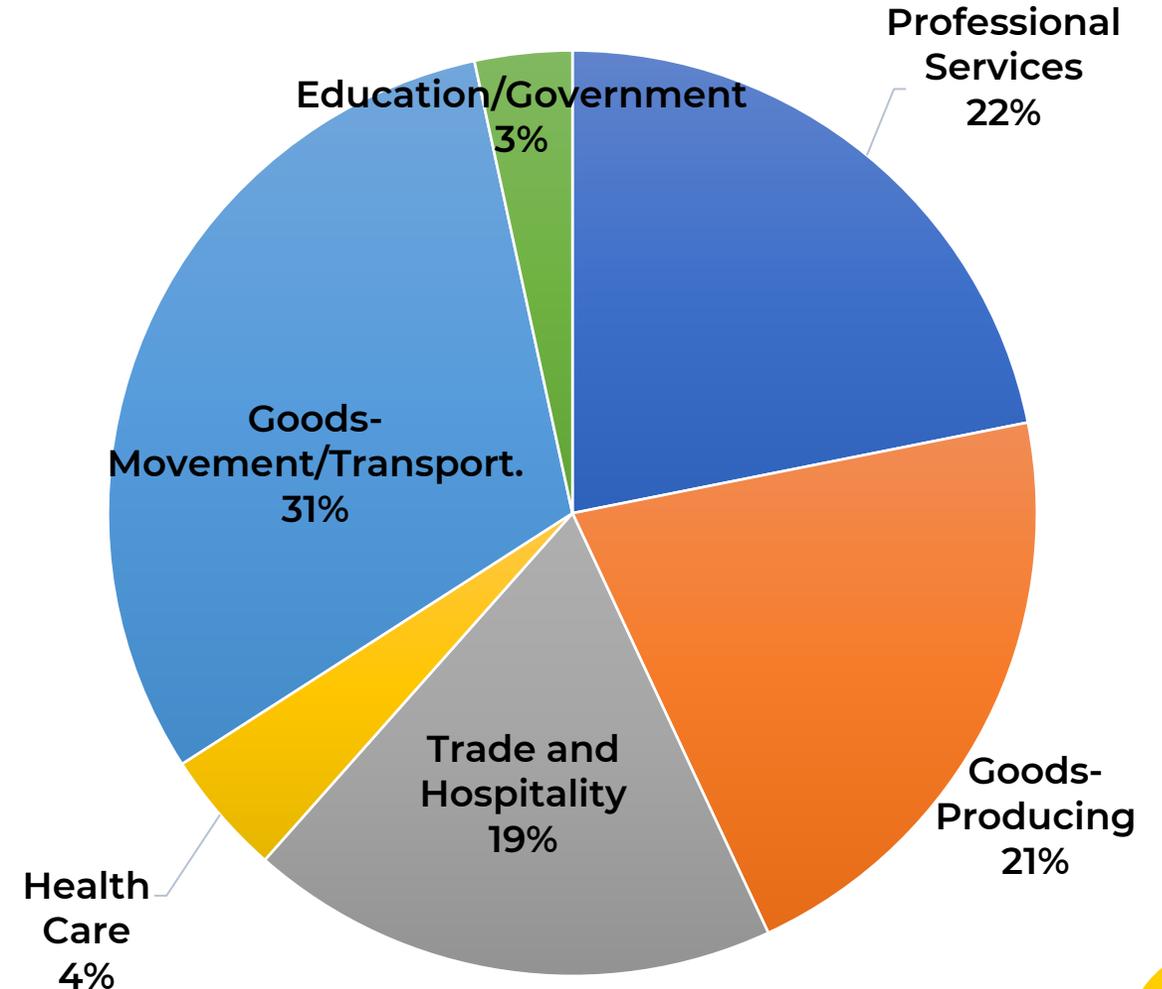
Source: "Economic Trends and Prospects," Economic & Planning Systems, Inc. (2022).

# Industry and the Economy

Employment Distribution  
in Oakland



Employment Distribution  
in Industrial Lands

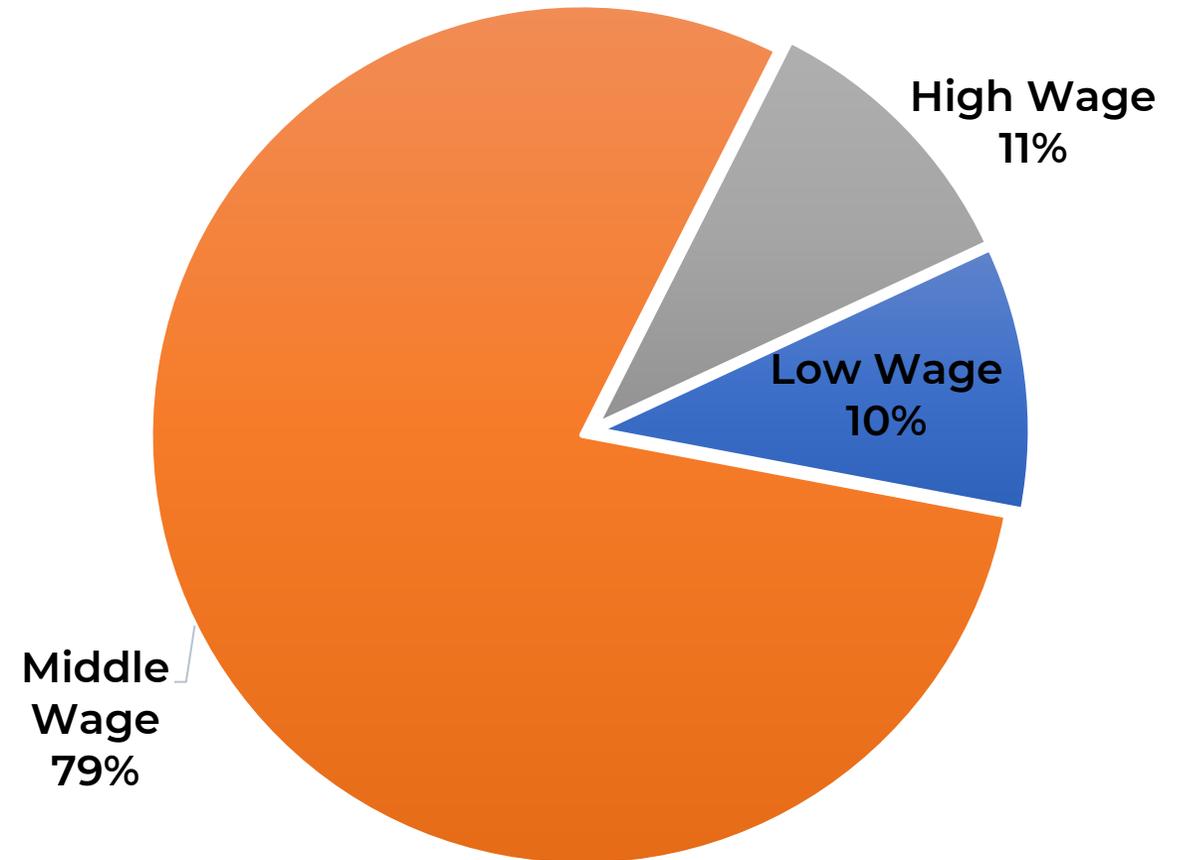


Source: "Economic Trends and Prospects," Economic & Planning Systems, Inc. (2022).

# Industry and the Economy

- 80% of ~34,000 jobs in industrial sector are middle-wage jobs
- • Most of these jobs are available to people without a four-year college degree
- ~60% of Oaklanders do not have a bachelor's degree or higher

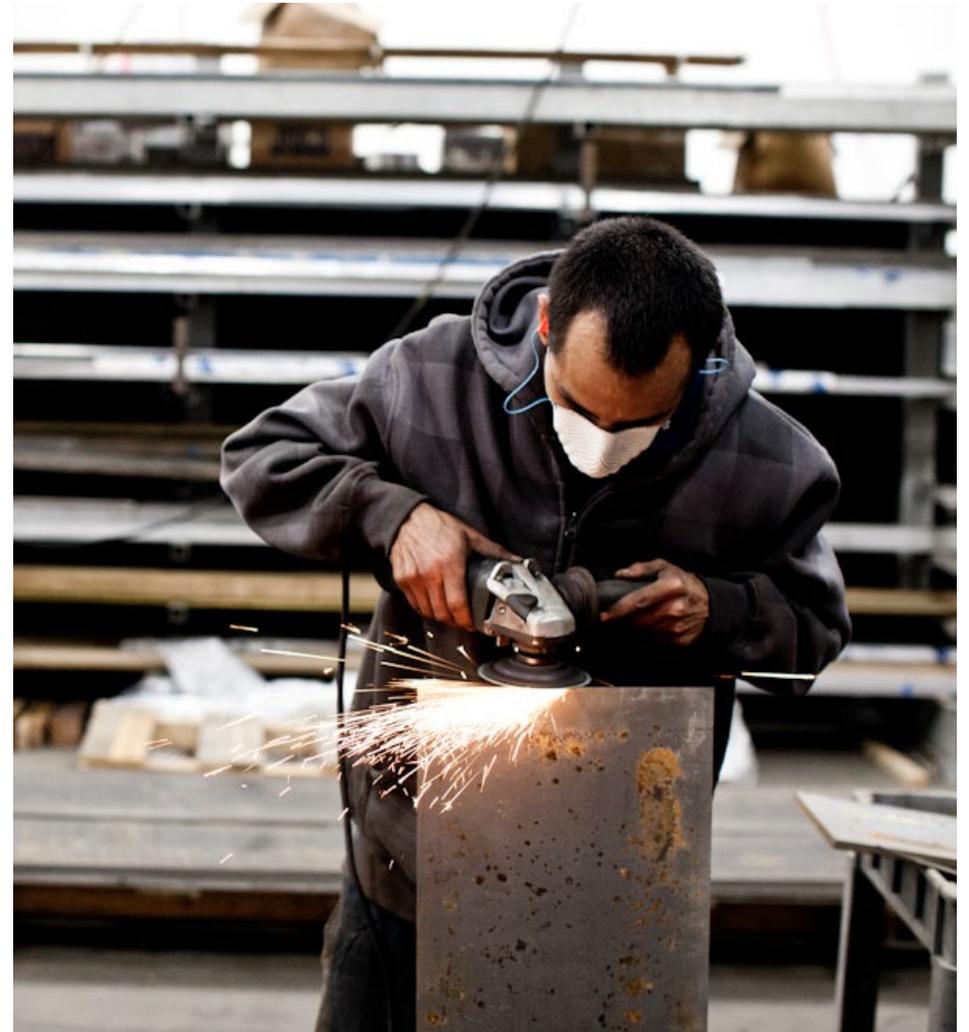
Wage Distribution



Source: "Economic Benefits of Industrial Land and Business Activities in Oakland," Hausrath Economics Group, March 2020.

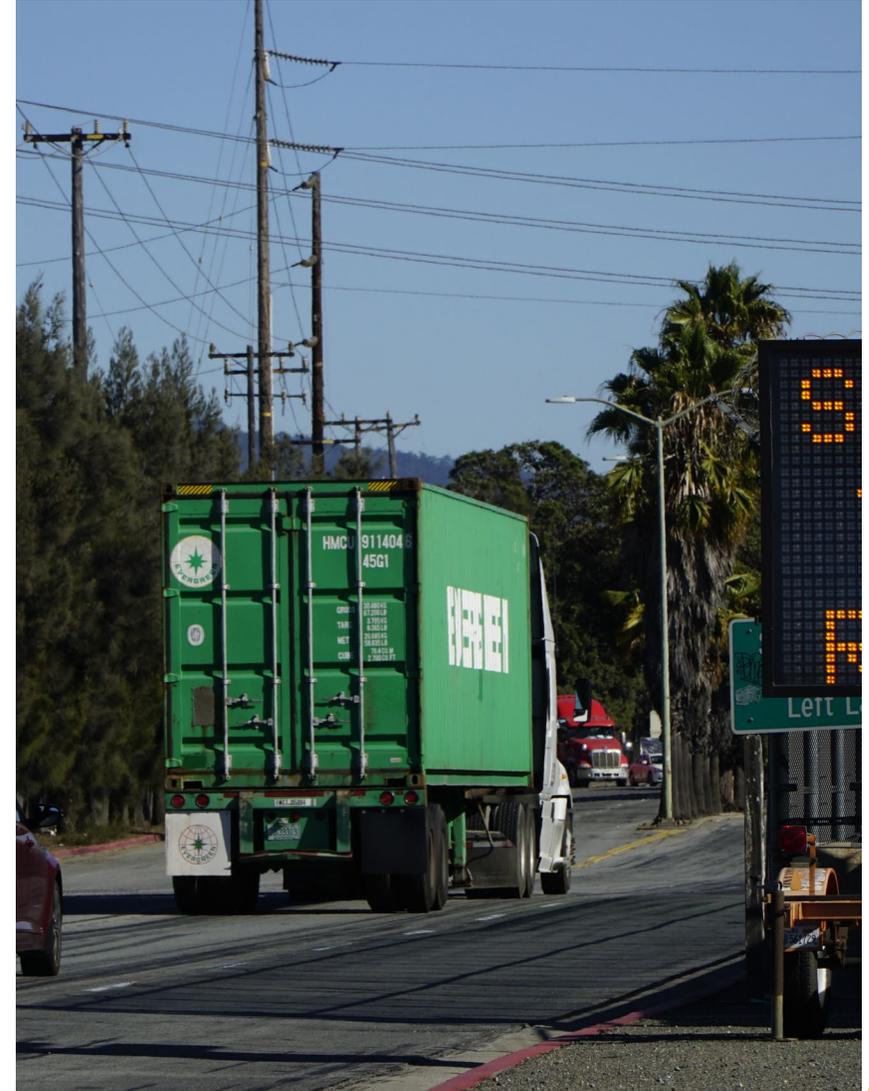
# Industrial Opportunities

- Port growth – warehousing and distribution growth
- Strong regional market for biotechnology (although not present in Oakland)
- Potential for other industrial uses (green energy, etc.)
- Older industrial uses that may be at the end of their lifecycle
- Increased growth of small-business manufacturers engaged in artisan-style work



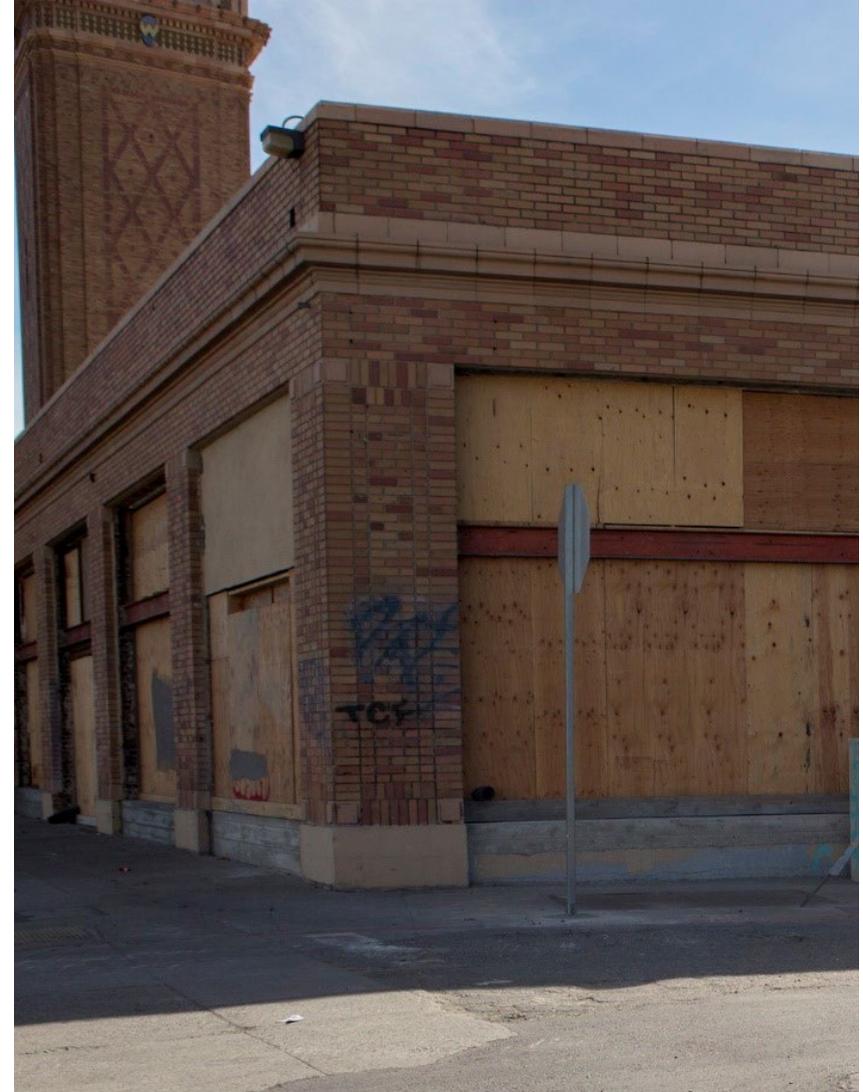
# Land Use Conflicts

- Parts of Oakland's industrial lands share the highest pollution burdens in the state.
  - Mainly due to diesel particulate matter
  - Concentrated in West Oakland, Fruitvale, and "Deep East" Oakland
  - Legal and illegal truck routes run through neighborhoods
- Residential and industrial uses are in close proximity
  - Historic zoning of industrial uses near low-income communities



# Property and Infrastructure Constraints

- **Infrastructure deficiencies**
  - Water lines need upsizing (for all uses)
  - Streets not safe for pedestrians and cyclists
  - Severely inadequate pavement
  - Infiltration/inflow is a concern for sewers (citywide issue)
  - Sea-level rise and flood zone
  - Liquefaction / seismic issues
  - Utility upgrades (power, gas, comm., fiber) needed for more intensive use
- **Property Inventory**
  - Building stock old and lacking investment
  - Properties are underutilized



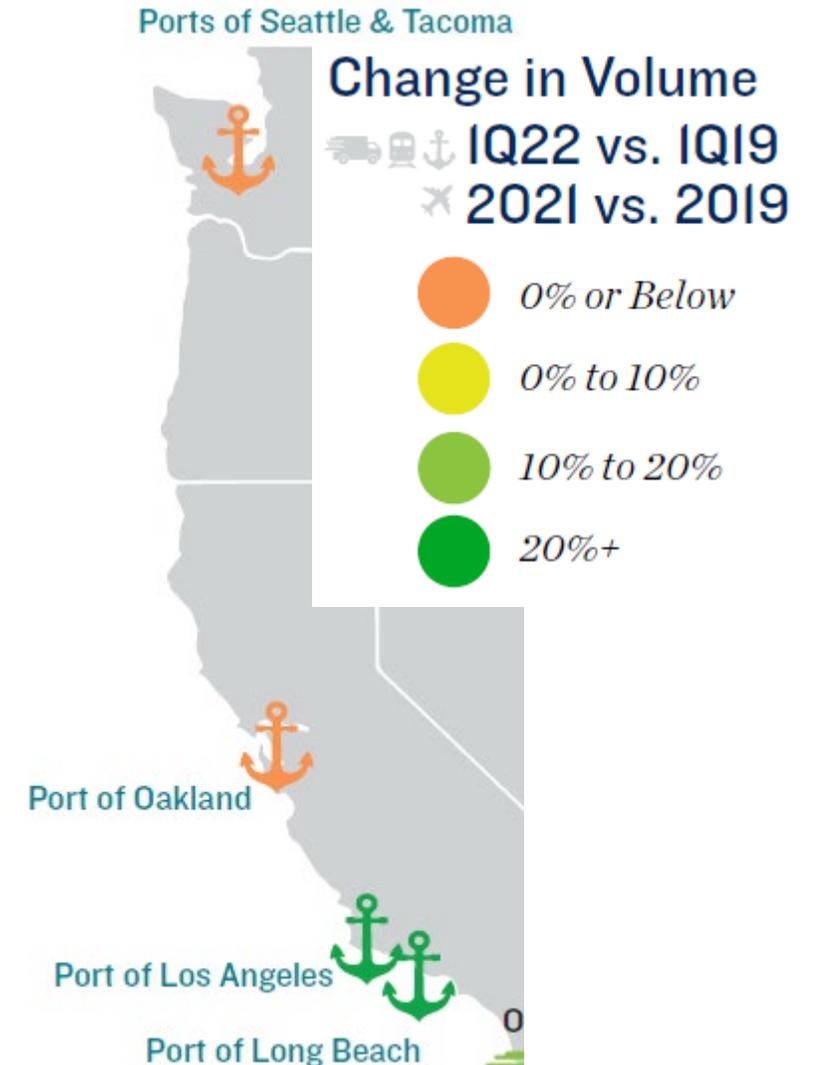
# Regional Growth in Life Science Sectors

- Bay Area has world-class agglomeration of Life Science Sectors
  - Strong clusters in Berkeley, Emeryville, and Alameda
  - Supported by UC Berkeley, industry leaders (e.g., Bayer and Zymergen) and healthcare (e.g., Kaiser, Sutter, and Summit), and others
- But constraints to addressing regional demand in Oakland include:
  - Infrastructure challenges (from previous slide)
  - Pollution from goods-movement activity
  - Unhoused encampments
  - Entitlement risk



# The Port's Changing Competitive Position

- Port is losing market share
  - Port cannot expand
  - Sierra Nevada is a bottleneck for goods-movement
  - Other ports (e.g., Port of Seattle) closer to key export markets in East Asia
- But this opens the door for other opportunities:
  - Entertainment (e.g., waterfront ballpark)
  - Other sectors (green tech, food and beverage, maker space)
  - Doubling down on niche role
    - Nation's leading exporter of high-quality agricultural commodities
    - Serving the Northern CA consumer market



# Discussion

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**Needed Changes.** What type of changes are needed to accommodate the type of industrial land use you would like to see in Oakland in the future?

- Zoning reforms
- Building improvements
- Infrastructure improvements
- Public realm improvements
- City services, programs, or partnerships
- Others?

# Next Steps

- Industrial Lands Study Fall 2022
- EJ and Safety Element public drafts Spring 2023
- General Plan website: <https://www.oaklandca.gov/topics/general-plan-update>
  - **Sign up for updates!**

# Backup

## 2021 Industrial Lands Proposal: Issues/Opportunities

- In order to grow, the Port needs transportation connectivity (via rail and truck routes, including the overweight truck route corridor) without major conflicts (such as pedestrians, bikes, and vehicles).
- Ancillary maritime services are needed near shipping activities and truck routes.
- Minimize industrial land use conflicts.
- Maintain industrial waterfront as part of Downtown Oakland Specific Plan.
- Industrial buffer to separate heavier industry from Jack London tourism district.
- How can similar conditions be placed on residential development to prevent residential encroachment on industrial land?
- Consider amortization of non-conforming uses.
- More dramatic changes are needed to realize environmental justice.
- Consider increasing distance requirement between heavy industry and residential to more than 500 feet.