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Commentary: Local Residents Benefit from Oak to 9th Plan

By Gabriel de Leon and Howard Greenwich

Opponents of the Oak to 9th development project in Oakland have made one thing clear—they can make their voices heard (“Can Oakland Re-Think Oak to 9th?” Editorial, Daily Planet, Aug. 18). However, being vocal is not the same thing as being accurate.

Unfortunately, much of the inaccurate information about the project being put out by opponents made it into Becky O’Malley’s editorial. The Oak to 9th Community Benefits Coalition, an alliance of community-based organizations representing low-income residents near the Oak to 9th site, would like to set the record straight on how this project will benefit the community.

So what did local residents win for the community? Perhaps the most groundbreaking and precedent-setting affordable housing and local hire programs of any large-scale development project in Oakland. The Oak to 9th project will create a pipeline for 300 Oakland residents to go from low-wage jobs to starting a career in the building trades and create 465 units of affordable housing for families making less than \$50,000 a year.

Yet, some project opponents have publicly criticized the local hire commitment made by the developer. They point out that Oakland’s existing policy requires developers to hire 50 percent Oakland residents for construction of their projects, yet the Oak to 9th commitment is for only 6 percent.

Bad news? Only if you don’t understand the goals of the community or how Oakland’s local hire policy works. What residents want is an opportunity to start careers in the hard-to-break-into building and construction trades. Based on this goal, what the Oak to 9th coalition negotiated is better than the city’s policy and an innovative model that we hope to replicate with other projects.

So how does a 6 percent commitment translate into innovation? On most construction sites, one out of every five workers (20 percent) is an apprentice, still learning the trade. The Oak to 9th developer, Oakland Harbor Partners LLC, has committed to reserving nearly one out of three of those apprenticeship jobs for people new to the trades (30 percent). The math works out to 6 percent, or about 300 opportunities for local residents to start a career in the building trades. And, furthermore, the developer’s local hire commitment is backed up by heavy monetary penalties and innovative incentives.

Contrast this with the city’s local hire policy, which is considered by most a failure in giving Oakland residents a chance to enter the building trades. While a 50 percent local hire requirement seems high, it often results in contractors simply reassigning existing Oakland workers from projects in other cities to meet their local hire

obligations. As a result, we may get Oakland residents on construction sites in Oakland, but we get no new construction job opportunities for Oaklanders.

But that's not all. Ramping up the skills of local residents, often stuck in low-wage, dead-end jobs, requires training. The residents won a commitment of \$1.65 million from the developer for the extra training needed before workers even become apprentices. No other developer in Oakland has provided the training money needed to get new workers into the trades.

In fact, this comprehensive local hire approach, with money up front for training and hiring only new, local apprentices—may be the best local hire requirement of any project in the East Bay for giving low-income workers a start in the building trades.

Another argument being made against the project, and reflected in Becky O'Malley's editorial, is that the affordable housing plans are "sketchy" or will not provide any more affordable housing than is mandated by city policy.

It is hard to imagine a deal less sketchy than this one. The development agreement, signed between the city and the developer, spells out the requirements in specific, targeted, and legally binding language. The community coalition engaged the developer and the city for two years in negotiations to ensure that the deal was strong, binding, and met the real needs of local residents.

Eight hundred residents from three organizations in the working class neighborhoods surrounding the Oak to 9th site came together almost three years ago and proposed priorities for affordable housing at the project: 1) affordable housing should prioritize very and extremely low income households, and 2) housing units should have 2-3 bedrooms, or be large enough to accommodate families.

The final Development Agreement reflects these priorities—for 465 units of mostly family-sized, affordable units for people who make \$25,000 to \$50,000 for a family of four. The affordable housing must be built as part of the project unless there is other land available and the community coalition gives the city its consent to move units off-site.

By contrast, state law and city policy doesn't require that any affordable housing be built as part of this project—only that it be built sometime, somewhere by someone in the redevelopment area over the next decade. And most of those units can be reserved for people making as much as \$100,000 per year. Again, there is no comparison between city policy and what was won in this agreement.

This level of housing affordability and family unit size requirements break new ground for Oakland and for many other cities in the East Bay. These landmark achievements of affordable housing, local hiring, and job training on the Oak to 9th project make it a project well worth moving forward. Thanks for this opportunity to set the record straight.

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