



**OAKLAND  
WORKFORCE DEVELOPMENT BOARD  
FULL BOARD MEETING**

**Thursday, May 2, 2024**

8:30 a.m. – 11:00 a.m.

Hearing Room #4

Oakland CA City Hall





Do you need an ASL, Cantonese, Mandarin or Spanish interpreter or other assistance to participate? Please email [hlindsay@oaklandca.gov](mailto:hlindsay@oaklandca.gov). or call (510) 238-3474 or (510) 238-3254 for TDD/TTY five days in advance.

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**OAKLAND WORKFORCE DEVELOPMENT BOARD (OWDB)**

**FULL BOARD MEETING NOTICE**

Thursday, May 2, 2024  
8:30 a.m. – 11:00 a.m.  
Hearing Room 4  
Oakland City Hall  
One Frank H. Ogawa Plaza

**PUBLIC PARTICIPATION**

The public may observe and/or participate in this meeting many ways.

**OBSERVE: To observe the meeting by video conference,** please click on this link: <https://us06web.zoom.us/j/89398087531?pwd=GVXgkyEubNnNUadltAoTPMX5T4tIEs.1> at the noticed meeting time. Instructions on how to join a meeting by video conference is available at: <https://support.zoom.us/hc/en-us/articles/201362193-joining-a-Meeting>

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International numbers available: <https://us06web.zoom.us/j/89398087531?pwd=GVXgkyEubNnNUadltAoTPMX5T4tIEs.1>

**COMMENT:**

**Public comment is not available for remote participation at this time. If you would like to comment on an item remotely, please submit written comments 24 hours in advance by email to [owdb@oaklandca.gov](mailto:owdb@oaklandca.gov) or appear in person.**

If you have any questions, please email: [owdb@oaklandca.gov](mailto:owdb@oaklandca.gov)

**OAKLAND WORKFORCE DEVELOPMENT BOARD (OWDB)**

**FULL BOARD MEETING NOTICE**

City Hall, 1 Frank H. Ogawa Plaza, Oakland, CA  
**Hearing Room 4**

Thursday May 2, 2024  
8:30 a.m. – 11:00 a.m.

**AGENDA**

*Members of the public wishing to address the Board on issues shall complete a Speakers Card. Members of the public who wish to address the Board on published issues should do so at the time the agenda item is being discussed. Issues that the public wishes to address that are not published on the agenda will be heard during the Public Forum section. You will have 2-minutes to speak on the item.*

**I. PROCEDURAL ITEMS**

- a. Call to Order and Roll Call
- b. Chair Remarks
- c. Approval of Minutes (Action) – February 1, 2024

**II. ACTION ITEMS**

- a. Adopt Workforce Innovation Opportunity Act (WIOA) Stipends and Incentives Policy 23-008
- b. Adopt FY 2024-2025 OWDB Budget and Contracts

**III. INFORMATIONAL ITEMS**

- a. CA Volunteers/Oakland Forward Video
- b. Housing and Community Development Workforce and Housing Pilot Program
- c. Workforce Accelerator Fund (WAF) 10.0 | East Bay Youth Technology Apprenticeship Program (EBYTA) Informational Report
- d. Developing Oakland’s Film Industry Informational Report

**IV. PUBLIC FORUM**

For items that members of the public wish to address that are NOT on the agenda

**V. STAFF REPORTS**

- a. Director’s Report

**VI. ANNOUNCEMENTS**

**VII. CLOSING REMARKS & ADJOURN**

**NEXT SCHEDULED FULL BOARD MEETING**

**THURSDAY, AUGUST 1, 2024**

**8:30 AM-11:00 AM**

*These WIOA Title I financially assisted programs or activities are “Equal Opportunity Employers/Programs”. Auxiliary aids and services are available upon request to individuals with disabilities.*

**Full Board Meeting  
Thursday, February 1, 2024  
8:30 AM – 11:30 AM**

**MINUTES**

The full board meeting was called to order by **Chair Ahmed Ali Bob** at 8:39 a.m.

**Chair Ahmed Ali Bob** announced that Black History month is a great time to visit the Black Cultural Zone’s Akoma Market, located at 1955 Broadway and support black owned small businesses. He extended his appreciation for everyone attending today’s meeting.

**Chair Ahmed Ali Bob** stated that members of the public who wish to address the board on items noticed on the agenda, should complete a speaker card before the agenda item is discussed. Each speaker will have two minutes to speak on the item. Staff will be keeping time and will notify you when your two minutes are complete. Public comment is not available for remote participation, at this time. The public may address items not published on the agenda, during the Public Forum section at the end of the meeting.

**APPROVAL OF AGENDA**

**Chair Ahmed Ali Bob** Called for adoption of the agenda.

**Board Member Jason Gumataotao** moved **Board Member September Hargrove** second to approve the agenda.

**Motion Passed:** Ahmed Ali Bob, Lee McMurtray, Jason Gumataotao, Della Randolph, Ching Wang, Pete May, September Hargrove, Louis Quindlen, Kim Jones, Megan Nazareno, Rudy Besikof.

**Roll Call:** Ahmed Ali Bob, Lee McMurtray (*late*), Jason Gumataotao, Omar Sabeh, Della Randolph, Kalpana Oberoi, Ching Wang, Peter Gamez, Pete May, Aaron Johnson, September Hargrove, Louis Quindlen, Kim Jones, Megan Nazareno, Tatiana Newman-Wade (*late*), Rudy Besikof, Nigel Jones, Mark Richards, (*Quorum Established*)

**Ayes** - 11

**Noes** - 0

**Absent** – 4 - Omar Sabeh, Kalpana Oberoi, Nigel Jones, Mark Richards

**Abstention** - 0

**Excused** – 2- Aaron Johnson, Peter Gamez,

**ITEM 1c APPROVAL OF MINUTES - ACTION**

**Board Chair Ahmed Ali Bob** called for a motion to approve the minutes of November 2, 2023.

**Board Member Della Randolph** moved **Board Member Rudy Besikof** second to approve the minutes for November 2, 2023, meeting.

**Motion Passed:** Ahmed Ali Bob, Lee McMurtray, Jason Gumataotao, Della Randolph, Ching Wang, Pete May, September Hargrove, Louis Quindlen, Kim Jones, Megan Nazareno, Tatiana Newman-Wade, Rudy Besikof.

**Ayes** - 11

**Noes** - 0

**Absent** - 4- Omar Sabeh, Kalpana Oberoi, Nigel Jones, Mark Richards

**Abstention** – 1- Rudy Besikof

**Excused** – 2- Aaron Johnson, Peter Gamez

## **II. INTRODUCTIONS**

### a. New Board Members

**Chair Ahmed Ali Bob** welcomed OWDB new members: Rudy Besikof, President of Laney College, Tatiana Newman-Wade, Work based Learning Coordinator at Oakland Unified School District and Megan Nazareno Construction Trade Workshop (CTWI) Senior Program & Data Manager.

Sofia Navarro OWDB Executive Director gave a status report on recruitment for additional board members.

## **III. ACTION ITEMS**

**Chair Ahmed Ali Bob** read the recommendation:

- a. Summer Youth Employment Program 2024 Funding Recommendations for \$262,572.
  - i. Lao Family Community Development, Inc. in an amount not to exceed of \$125,000.
  - ii. Youth Employment Partnership, Inc. in an amount not to exceed \$125,000.
  - iii. Trybe, Inc. in an amount not to exceed \$12,572.

Staff Member Dovey presented the background and gave a summation of the program. This year will be the last year of the SYEP procurement cycle of physical year (PY) 2022-2024. A total of \$50,000 of Measure HH funding is allocated to staff to administer and monitor the program. Staff is requesting approval to collect additional funds and be able to allocate to the various providers.

### **Public Comment:**

Michele Clark, Youth Employment Program (YEP), Executive Director gave a brief description of YEP summer job program. She described the processes that some participants may go through to move through the summer job program pre-training could include assisting with obtaining birth certificates, or California identification cards, once completed the training to work begins. Michele stated that the summer youth program is one of the most cost effective, violence prevention strategies that's offered.

**Board Member September Hargrove** requested staff to elaborate on what is a meaningful work experience.

Staff member Dovey gave an overview of her perspective of a meaningful work experience.

**Board Member September Hargrove** asked what are the City's industries of focus, that the board is trying to grow?

Sofia Navarro OWDB Executive Director stated that her vision for 2024, is to start engaging more businesses into employment for the next three-year workforce strategy.

**Board Member Rudy Besikof** inquired if there are a certain amount of training each participant should receive.

Staff Member Dovey stated that it varies but there are some common components, it depends on each provider.

**Board Member Pete May** asked if the total youth served was a total from all providers. Is the same type of multiplier used for all agencies.

Sofia Navarro OWDB Executive Director shared that it varies with each provider.

Sue Dung Lao Family provided a summary of what training provided prior to a participant being placed on a job, the different types of wrap-around services, online marketing of skills. 20 hours of training to complete the program successfully. She shared the various businesses/industries that Lao Family has worked with.

**Board Member Louis Quindlen** asked if a status report will be provided to board members, as the program progresses.

Sofia Navarro OWDB Director stated that a lot of the information is posted on the workforce website there you will find answers to your questions, the year report will provide information of the last three months of PY 2023.

**Board Member Louis Quindlen** suggested having the participants come before the board and give a presentation, on how the program has impacted their lives, he stated that this would have a powerful effect on the participants, engaging government and creating a power of advocacy for them.

**Board Member September Hargrove** inquired if there is a plan measuring long term summer job? What are the successful outcomes for youth. Is there a plan to measuring the effect of having a summer job.

Sofia Navarro OWDB Director said from the board perspective they haven't tracked.

Michele Clark Youth Employment Program gave a brief description of what long term components are with YEP.

**Board Member Tatianna Newman-Wade** questioned the selection of job placement, what support is provided to understand the job description. She inquired if the participants are encouraged to try new job experiences to veer into positions not common in their communities. She inquired if returning students go through the same workshops do they have the same expectations.

Michele Clark, Youth Employment Program (YEP), Executive Director described what a returning YEP summer job participant may expect.

**Board Member Jason Gumataotao** suggested that an informational item be added to the May 2024 board meeting, providing a walk-through, to give ppl more insight of past report from the providers. this will allow the board members to have a clear understanding of what is coming up and what the providers has accomplished in the past with board approval.

Sofia Navarro OWDB Director stated she will provide a full informational landscape, of the summer job employment program, at the May or August meeting.

**Board Member September Hargrove** asked when the next cycle starts, and when do we put out the next RFP, she inquired if the board have a voice as to what the criteria will be.

Sofia Navarro OWDB Director stated there are two Request for Proposals (RFP), the larger RFP is with Workforce Innovation and Opportunity Act (WIOA), and California Volunteers. The 2025-2028 cycle will go out later in the spring of 2025. There is another RFP partnership with Oakland Fund for Children and Youth (OFCY). the RFP cycle 2025- 2028 will go out January/February of 2025.

**Board Member Jason Gumataotao** suggested that the board go to the youth instead of having the youth come to the board, the board can visit the provider organizations, and have the youth give their presentation on how they have benefited from being a part of the program.

**Board Member Ching Wang** inquired about the funding source; due to the City's budget deficit, will this impact the funding negatively.

Staff Member Lindsay responded that an annual budget of \$400,000 is granted and funded by Measure HH. The board authorizes the allocation of \$50,000, to support staff positions.

**Chair Ahmed Ali Bob** requested a motion to accept the recommendation,

**Board Member Ching Wang** moved **Board Member Lee McMurtray** second to accept the Summer Youth Employment Program 2024, Funding Recommendations for \$262,572, and the allocation of \$50,000 for staff support, in addition for staff to apply and accept various grants and contributions allowing for additional funds.

**Motion Passed:** Ahmed Ali Bob, Lee McMurtray, Jason Gumataotao, Della Randolph, Ching Wang, Pete May, September Hargrove, Louis Quindlen, Kim Jones, Megan Nazareno, Tatiana Newman-Wade, Rudy Besikof.

**Ayes** - 12

**Noes** - 0

**Absent** – 4 - Omar Sabeh, Kalpana Oberoi, Nigel Jones, Mark Richards

**Abstention** - 0

**Excused** - 2 - Aaron Johnson, Peter Gamez

#### **IV. INFORMATIONAL ITEMS**

##### a. Director’s Report

Sofia Navarro OWDB Director gave a presentation on, 2024 Oakland Workforce Development Board Activities, Economic & Workforce Development Vision Statement, Economic Landscape, Oakland Employment 2023, Business Employer Count & Revenue, Economic Development Strategy, Economic Development Strategy Production Timeline, Summer Youth Employment Program, and TimeLine. The presentation ended with “Learn more about the Oakland Workforce Development Board: Visit [Oaklandca.gov/wdb](http://Oaklandca.gov/wdb).”

*Staff Member Dovey* shared the background on OWDB summer youth employment program, she stated the program is geared toward the disadvantaged communities including youth not connected to the traditional school system, youth who are not working, have a little to no work experience that are age 16-21 and live in Oakland. Staff continues to convene with other agencies who provide their own summer youth employment opportunities, fostering alignment, efficiencies, and common outcomes, that could be addressed by leveraging resources and information.

#### **V. PUBLIC FORUM**

(For items that members of the public wish to address that are NOT on the agenda)

Michele Clark of YEP shared that YEP received a grant from the State of California Workforce Development Board in the amount of \$875,000.00. The resources are to address the challenges of reentry, to get the participants working and moving into a better direction.

#### **VI. STAFF REPORTS: None**

#### **VII. ANNOUNCEMENTS**

Raya Zion Laney College stated that Laney is partnering with the Public Works Department, Sustainability and Resilience division, regarding, International Women’s Day March 8, 2024, and on March 6, 2024.

**Board Member Ching Wang** stated that Samuel Merritt University is ranked # 1 in the nation, they are starting a Bachelor of Science in Cal Science, in Clinical Registered Nurse CRN, the program spans two years which is equivalent to four semesters, the program is designed for students who have completed their general education and prerequisite courses at any institution.

**Board Member September Hargrove** shared that JPMorgan Chase and the Golden State Warriors have partnered together, for an Alley-oop accelerator program. This event will be hosted at the Chase Community Center in Oakland. She stated that they are seeking 10-15 Oakland and San Francisco based small business entrepreneur. Everyone completing the program will receive a \$1000.00 grant at the end of the program. More information to come.



**Board Member Rudy Besikof** announced that Dr. Tammeil Gilkerson is the new Chancellor of Peralta Community College District, effective January 4, 2024.

#### **VIII. CLOSING REMARKS & ADJOURN**

**Chair Ahmed Ali Bob** thanked everyone for attending meeting. Shop Local, Shop Oakland!

Meeting was adjourned at 10:06 a.m.

#### **Next Scheduled Full Board Meeting**

**Thursday, May 2, 2024**

**8:30 AM-11:00 AM**

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**ITEM. II.a - ACTION**

**To: Oakland Workforce Development Board**  
**From: OWDB Staff**  
**Date: May 2, 2024**  
**Re: OWDB Stipends and Incentives Policy**

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**RECOMMENDATION**

That the Oakland Workforce Development Board (OWDB) approve the Workforce Innovation and Opportunity Act (WIOA) Stipends and Incentives Policy.

**EXECUTIVE SUMMARY**

WIOA regulations allow for stipend and incentive payments in which Local Workforce Development Areas (LWDAs) must have written policies and procedures in place governing the provision of such payments and must ensure that they are tied to the goals of the specific WIOA service program that active participants are enrolled in. These policies must be outlined in writing before the commencement of the activity which may lead to a stipend or incentive payment. All payments must be aligned with the local program's policies and in accordance with the requirement contained in 2 CFR part 200 and Title 20 CFR Section 681.640.

Stipends and incentive payments to participants are strong motivators that help enable participation and lead to more successful outcomes for workforce program participants.

Stipends can help alleviate financial stress by providing participants with the funds they need in order to be successful in the program. Stipends cover the costs associated with attending training, lost wages due to time spent in training, and ultimately ensure that participants do not drop out and return to lower wage, lower skilled occupations to meet immediate financial needs. Stipends cannot be used to replace wages. Incentive payments are provided as recognition for achievements and can help motivate participants to achieve successful outcomes that will lead to long term financial self-sufficiency.

Incentives are considered awards and are used to encourage participants to complete training, remain in jobs, or complete program activities. Incentives may be given for a participant's achievement in training, education, work readiness skills and/or an occupational skills attainment goal as identified in the Individual Service Strategy (ISS) or Individual Employment Plan (IEP). These payments may be awarded in the form of cash, check, gift card, or other type of payment.

Prior approval from OWDB will not be required in order to pay stipends or incentives to participants, however, WIOA contracted service providers are required to have a policy in place prior to the implementation of stipends and incentive payments.

ATTACHMENTS:

23-008 – Stipends and Incentives Policy

CITATIONS:

- WIOA Final Regulation, 2 CFR Part 200
- WIOA Final Regulations, 20 CFR 681.640
- WIOA Final Regulations, 20 CFR 683.200(b)(2)
- EDD Workforce Services Directive WSDD-258 CalJOBS<sup>SM</sup> Activity Codes
- EDD Workforce Services Directive WSDD-253 Stipends and Incentives Payments



CITY OF OAKLAND



OFFICE OF ECONOMIC AND WORKFORCE DEVELOPMENT

OAKLAND WORKFORCE DEVELOPMENT BOARD

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**DIRECTIVE No:** 23-008  
**TO:** WIOA Service Providers  
**EFFECTIVE:** To be issued upon OWDB Approval  
**SUBJECT:** Stipends & Incentives Policy

**PURPOSE**

This policy provides comprehensive guidance under the Workforce Innovation and Opportunity Act (WIOA) for stipend and incentive payments to the WIOA Title I Adult, Dislocated Worker (DW), and Youth programs of the Oakland Local Workforce Development Area (LWDA).

**BACKGROUND**

WIOA regulations allow for stipend and incentive payments in which LWDA's must have written policies and procedures in place governing the provision of such payments and must ensure that they are tied to the goals of the specific WIOA service program that active participants are enrolled in. These policies must be outlined in writing before the commencement of the activity which may lead to a stipend or incentive payment. All payments must be aligned with the local program's policies and in accordance with the requirement contained in 2 CFR part 200 and Title 20 CFR Section 681.640.

Stipends and incentive payments to participants are strong motivators that help enable participation and lead to more successful outcomes for workforce program participants.

Stipends can help alleviate financial stress by providing participants with the funds they need in order to be successful in the program. Stipends cover the costs associated with attending training, lost wages due to time spent in training, and ultimately ensure that participants do not drop out and return to lower wage, lower skilled occupations to meet immediate financial needs. Stipends cannot be used to replace wages. Incentive payments are provided as recognition for achievements, and can help motivate participants to achieve successful outcomes that will lead to long term financial self-sufficiency.

Incentives are considered awards and are used to encourage participants to complete training, remain in jobs, or complete program activities. Incentives may be given for a participant's achievement in training, education, work readiness skills and/or an occupational skills attainment goal as identified in the Individual Service Strategy (ISS) or Individual Employment Plan (IEP). These payments may be awarded in the form of

cash, check, gift card, or other type of payment.

Prior approval from OWDB is not required in order to pay stipends or incentives to participants, however, recipients of funds from OWDB are required to have a policy in place prior to the implementation of stipends and incentive payments within a program funded by OWDB.

## **POLICY**

The OWDB requires that all WIOA contracted service providers who choose to provide stipend and incentive payments develop an internal agency policy under this policy's framework and regulations stated below. Policies must be submitted for review and approval by OWDB staff before implementation. Any updates or changes made to the service provider's internal policy must also be submitted to OWDB staff for review and approval. Service providers are not required to provide stipends or incentives, unless mandated by OWDB for specific programs, and may, through their policies determine to be more restrictive than OWDB's, or not allow the use of stipends or incentives.

Service providers must also follow any WIOA Adult, DW, or Youth grant-specific requirements, and be incorporated into approved budgets.

### **Requirements for Provision of *Stipend Payments*:**

Stipends must enable individuals to achieve their goals; and cannot be paid in lieu of wages. In order to provide stipends to program participants, service providers' internal policies must meet the following criteria:

- a) Provides appropriate justification for how the provision of stipends is aligned with the goals of the participant,
- b) Maximum amount per participant for stipends should not exceed \$1,000.00 per program year.
- c) Outlines that stipends will not be used to replace wages. In cases where wages are the most appropriate form of payment to the participant, wages must be paid through work experience, internship, or On-the-Job (OJT) activities.
- d) Outlines methodology for the determination of need for stipends, the determination of stipend amounts, and how determinations will be documented.
- e) Appropriately differentiates criteria between stipends and incentives if both types of payments are allowed within the program.
- f) Is in accordance with the requirements contained in 2 CFR part 200. (e.g., federal funds must not be spent on entertainment related services).
- g) Must have completed OWDB's procedures and documentation requirements (as state below under "Procedures and Documentation" section).

### **Requirements for Provision of *Incentive Payments*:**

Incentive payments must be for the recognition and achievement directly tied to training activities, work experiences, or completing program activities; and cannot be paid in lieu of wages. In order to provide incentives to program participants, service providers' internal policies must meet the following criteria:

- a) Provides appropriate justification for how the provision of incentives is aligned with the goals of the participant,
- b) Maximum amount per participant for incentives should not exceed \$750.00 per program year.
- c) Incentives should be itemized with descriptions and maximum amounts.
- d) Outlines that incentives will not be used to replace wages. In cases where wages are the most appropriate form of payment to the participant, wages must be paid through work experience, internship, or On-the-Job (OJT) activities.
- e) Outlines methodology for determining the appropriate use of incentives based on how they will help participants achieve goals, milestones, or outcomes, incentive amounts, and how determinations will be documented.
- f) Appropriately differentiates criteria between stipends and incentives if both types of payments are allowed.
- g) Is in accordance with the requirements contained in 2 CFR part 200 (e.g., federal funds must not be spent on entertainment).
- h) Must have completed OWDB's procedures and documentation requirements (as state below under "Procedures and Documentation" section).

## **PROCEDURES AND DOCUMENTATION**

All stipends and incentive payments must be documented in CalJOBS through case notes and appropriate activity code(s).

When providing stipends and/or incentive payments, the following must be documented in the participant case file (case note):

- 1) Justification for why stipends and/or incentives are being provided,
- 2) the contribution it makes to the participant's success, and
- 3) how the stipend or incentive payment was calculated and why the dollar amount provided is necessary and reasonable.

## **STIPENDS**

Stipend payments may be paid based on actual hours of attendance. Online classroom attendance is allowable as long as participation/seat time can be verified. Attendance in the activity must be documented as the basis of stipend payments. Stipends may be paid to participants for their successful participation in education, career services, or training services (except such allowances may not be provided to participants in paid activities including, work experience, internships and OJTs). Justification of need must be documented within the participant's Individual Employment Plan/Individual Services Strategy (IEP/ISS).

Stipends must also be recorded using the appropriate activity code:

- Stipends to Adult & Dislocated Worker (DW) participants must be recorded using activity code 197 - "Supportive Service: Stipend"
- Stipends to Youth participants must be recorded using activity code 494 - "Supportive Service:

Stipend”.

Stipends are not allowed during Follow-Up period.

## **INCENTIVES**

Incentive Payments must be recorded using the appropriate activity code:

- Incentive Payments to Adult & DW participants must be reported through activity code 183 – “Supportive Service: Incentives/Bonuses”
- Incentive Payments to Youth participants must be reported through activity code 419 – “Incentive Payment”
- Follow-Up Services Incentive Payments must be reported through activity code F19 – “Supportive Service: Incentives/Bonus”

## **DEFINITIONS**

**Stipends** - Fixed payments paid to program participants for participation in a training or other workforce activity that requires a substantial regularly scheduled time commitment. Stipends are a form of financial support paid to a participant to help cover the costs associated with living expenses, travel, and/or materials needed to be successful in training or other workforce activities. Stipends may be used for activities such as classroom instruction and basic and essential skills training.

**Incentives** - Payments paid to program participants for recognition and achievement directly tied to work experience, education, and training.

## **REFERENCES**

- *WIOA Final Regulation, 2 CFR Part 200*
- *WIOA Final Regulations, 20 CFR 681.640*
- *WIOA Final Regulations, 20 CFR 683.200(b)(2)*
- *Workforce Services Directive WSD19-06, CalJOBS SM Activity Codes (December 27, 2019)*
- *Workforce Services Directive WSDD-258, CalJOBS SM Activity Codes (Draft)*
- *Workforce Services Directive WSD-253, Stipends and Incentives Payments (Draft)*

## **ACTION REQUIRED**

This information should be disseminated to all agency & provider staff upon approval of the OWDB and made effective by the date this Action Bulletin is issued and made effective.

## **INQUIRIES**

Questions regarding this policy should be directed to the Oakland Workforce Development Board:

City of Oakland Economic & Workforce Development  
c/o Executive Director – Workforce Development Board  
250 Frank Ogawa Plaza, Suite 3315  
Oakland, CA 94612  
[OWDB@oaklandca.gov](mailto:OWDB@oaklandca.gov)





ITEM. II.b - ACTION



**To:** Oakland Workforce Development Board  
**From:** OWDB Staff  
**Date:** May 2, 2024  
**Re:** Approve FY 2024-25 OWDB Budget and Contracts

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**RECOMMENDATION**

**A Resolution Of The Oakland Workforce Development Board (Board) Authorizing The Following Actions:**

- 1. Adopting The Fiscal Year 2024-25 Workforce Development Budget; And**
- 2. Accepting And Appropriating Workforce Innovation And Opportunity (WIOA) Title I Formula Funds For Adult, Dislocated Worker, Youth And Rapid Response Services In The Estimated Amount Of Three Million Six Hundred Sixty-Nine Thousand Nine Hundred Fifty-One Dollars (\$3,669,951); And**
- 3. Accepting And Appropriating Two Million Three Hundred Twenty-Seven Thousand Four Hundred Thirty Dollars (\$2,327,430) From California Volunteers To Increase Youth And Young Adult Employment And Develop Pathways Into Careers In Public Service; And**
- 4. Appropriating One Million Nine Hundred Eighty-Four Thousand Two Hundred Eighty-Six Dollars (1,984,286) From The General Fund And Other Funds For Workforce Development; And**
- 5. Authorizing The Carryover Of Unspent Fiscal Year 2023-2024 WIOA And Other Funds In The Estimated Amount Of Five Hundred Thirty-Three Thousand Four Hundred Seventy-Five Dollars (\$533,475) In Fiscal Year 2024-2025; And**
- 6. Authorizing Grant Agreements With Service Providers Competitively Selected To Provide Comprehensive, Specialized, Business Engagement And Youth Services From WIOA Title I Formula Funds And Other Funds For Fiscal Year 2024-2025**

**EXECUTIVE SUMMARY**

Staff recommends that the Board adopt the Fiscal Year (FY) 2024-25 Workforce Development budget and amend grant agreements with service providers competitively selected by the Board as outlined in **(Attachment A)** of this report. The budget reflects federal funding through WIOA and State of California, support from the City of Oakland, and miscellaneous grants that support summer youth activities, including philanthropic support from Oakland Fund for Public Innovation.

The recommendations for service provider contracts are a continuation of a system-wide Request for Proposals (RFP) process, which competitively procured contracts for workforce development services over a three-year period from July 1, 2022 through June 30, 2025. By approving these recommendations, the Board can ensure that it continues to provide programs that promote economic stability and equitable access to Oakland's most vulnerable communities. Additionally, the staff recommends that any FY 2023-24 contracted funds not fully utilized by service providers by June 30, 2024, be carried over to FY 2024-25.

### **CITY'S BUDGET OVERVIEW:**

Every two years the City of Oakland (City) goes through a planning process between the months of January through June to determine the budget for the next two fiscal years. On June 30, 2023, the City adopted the FY 2023-2025 Biennial Budget. This year is the second year of the biennial budget and a mid-cycle update must be adopted by City Council on June 30, 2024. Currently, the City has identified a Citywide General Purpose Fund (GPF) budget deficit of \$175 million, of which Economic and Workforce Development Department (EWDD) is expected to submit a budget reduction target of \$4,930,277. This represents an overall decrease of 46% from EWDD's midcycle GPF baseline. In addition to the City adopting its budget, the Board must adopt its own budget.

### **BOARD'S BUDGET OVERVIEW:**

The overall goals of the Board's investments are to help adults and youth develop the necessary skills, obtain the requisite knowledge, and access the resources needed to thrive in careers, and to provide employers with the skilled workforces needed to sustain and competitively grow their businesses. The Board seeks to provide a coordinated set of relationships among providers and partners in the workforce system that can connect residents, particularly those with barriers to employment, to career pathways leading to family-sustaining jobs in growing industries.

### **FUNDING SOURCES:**

The Board's budget is made up of multiple funding streams that support workforce development activities including federal funding through WIOA, grant contributions from the State, funding support from the City, and miscellaneous grants from private businesses and philanthropic support.

### **Estimated Carry Forwards from FY 2023-24 -\$533,475**

Estimated carry forward balances are reallocated into the FY 2024-25 Board budget and include any unobligated and de-obligated funds and salary savings from vacant City staff positions.

### **Estimated FY 2024-25 WIOA - \$3,669,951**

The Board's WIOA Title I Formula revenues consist of four separate funding streams which include:

- Adult Program - Serves individuals 18 and older by providing them with job search assistance and training opportunities and to help meet employer workforce needs.
- Dislocated Worker Program - Designed to help workers get back to work as quickly as possible and overcome barriers to employment. When individuals become dislocated workers as a result of job loss, mass layoffs, global trade dynamics, or transitions in economic sectors, the Dislocated Worker program provides services to assist them in re-entering the workforce.
- Youth Program - Comprehensive youth employment program serving eligible youth, ages 14-24, who face barriers to education, training, and employment.
- Rapid Response Program – Provides strategies and activities necessary to plan for and respond to announcements of a business closure, layoff, or mass job dislocations due to natural or other disasters, and to deliver services to enable dislocated workers to transition to new employment as quickly as possible.

As of this writing, the State of California Employment Development Department (EDD) has not yet released its planning budget estimates for the FY 2024-25 WIOA Adult, Dislocated Worker, Youth and Rapid Response programs. Therefore, for planning purposes, the FY 2023-24 allocations are used as baseline.

**California Volunteers – \$2,327,430**

The City was awarded a second round of funding from Office of the Governor’s California Volunteers from May 1, 2024 through December 1, 2025. These funds are to support year-round youth and young adult employment programs that promote climate resilience and improve neighborhood conditions. Program participants will have the opportunity for meaningful, long-term employment, either within the City or with our network of neighborhood partner organizations competitively selected through an RFP process.

**City General Fund - \$794,721**

A total of \$797,721 has been allocated in the FY 2023-25 Biennial Budget for the Board consideration. This amount reflects 100,000 to support workforce development services and sector initiatives. \$220,000 has been allocated to Causa Justa:: Just Cause for the City’s Day Laborer program and the remaining \$474,721 in general funds will support City operations.

**Measure HH - \$577,162**

Oakland youth ages 16 to 24. The City will enter into grant agreements with recommended service providers previously approved by the Board.

**Army Base Billboard - \$537,403**

Oakland Army Base billboard revenue is budgeted for oversight and support of the West Oakland Job Resource Center (WOJRC). The FY 2024-25 budget appropriates \$345,615 directly to the WOJRC to support the ongoing operations of the Center that focus on helping local residents learn about and prepare for careers in the building trades and to fulfill job creation, hiring targets and workforce development polices of the City. The remaining \$191,788 will support City personnel.

**Miscellaneous Donations - \$75,000**

Miscellaneous private grant donations are allocated to service providers in partnership with OFCY to increase summer opportunities for youth for summer 2023.

**EXPENDITURE CATEGORIES:**

There are two main expenditure categories in the Board budget:

Service Provider Contracts: The City and the Board contract with experienced organizations to provide workforce development services to Oakland. The overall goals of these workforce organizations are to help Oakland residents develop the skills to attain the knowledge, and access the resources needed to thrive in a career; and provide employers with the skilled workers needed to sustain and competitively grow their businesses. These funds include participant training, wages, and support to enable an individual to participate in workforce development activities.

City Operations: The Board and City workforce staff, as the system administrator, are responsible under WIOA Section 107(d) for a range of functions as listed below, including directing funds to be used for industry or sector partnerships (Sec. 134(c)(1)(A)(v)). Below are some of the primary Board and City staff functions:

- Development of the local plan
- Workforce research and regional labor market analysis

- Convening, brokering, leveraging workforce system partners
- Employer engagement
- Career pathways development
- Identifying and promoting proven and promising best practices
- Technology and data systems
- Program oversight, including oversight of more than a dozen service providers and contracts
- Negotiation of local performance
- Selection of one-stop operators, and providers through a competitive RFP process
- Coordination with education partners
- Budget and administration
- Accessibility for individuals with disabilities

**PROCUREMENT AND GRANT AWARDS:**

An RFP to procure contract service providers to provide citywide workforce development services for Fiscal Years (FYs) 2022-2025 was issued on March 11, 2022 by EWDD and Board. Through this procurement, the Board entered into grant agreements with local nonprofit organizations to provide workforce development services for recently displaced and long-term unemployed adults and low-income youth and young adults. This is the last year of the 3-year procurement cycle.

Staff is recommending that allocations and service goals for WIOA service providers listed in (**Attachment A**) remain flat and that Board also authorize any carryover of unspent FY 2023-2024 funds to contracted service providers in fiscal year 2024-2025.

**ATTACHMENT A – FY 2024-25 OWBD BUDGET AND CONTRACTS**

A	B	C	D	E	F	G	H	I	J	K	L	M	N	
1		<b>WORKFORCE INNOVATION AND OPPORTUNITY ACT (WIOA)</b>												
2		<b>Fund 2195</b>					<b>Fund 2159</b>	<b>Fund 1010</b>	<b>Fund 1030</b>	<b>Fund 5671</b>	<b>Fund 7999</b>			
3		<b>Dislocated</b>	<b>Rapid</b>						<b>Measure</b>	<b>Misc</b>	<b>Other Revenue</b>			
		<b>Adult</b>	<b>Worker</b>	<b>Rapid</b>	<b>Youth</b>	<b>WIOA Subtotal</b>	<b>CA Volunteers</b>	<b>General Fund</b>	<b>HH</b>	<b>Billboard</b>	<b>Donations</b>	<b>Subtotal</b>	<b>GRAND TOTAL</b>	
4	<b>ESTIMATED REVENUES</b>													
5	Estimated Carryover Revenue	184,961	156,354		192,160	533,475						0	533,475	
6	Estimated FY 2024-2025 Revenue (Baseline)	1,224,338	1,030,362	245,751	1,169,500	3,669,951	2,327,430	794,721	577,162	537,403	75,000	4,311,716	7,981,667	
7	<b>TOTAL REVENUE</b>	<b>1,409,299</b>	<b>1,186,716</b>	<b>245,751</b>	<b>1,361,660</b>	<b>4,203,426</b>	<b>2,327,430</b>	<b>794,721</b>	<b>577,162</b>	<b>537,403</b>	<b>75,000</b>	<b>4,311,716</b>	<b>8,515,142</b>	
8	<b>EXPENDITURES</b>													
9	<b>SERVICE PROVIDER CONTRACTS</b>													
10	Workforce Development Services (TBD)					0		100,000				100,000	100,000	
11	Causa Justa					0		220,000				220,000	220,000	
12	Civicorps					0	246,344					246,344	246,344	
13	Genesys Works Bay Area				178,550	178,550						0	178,550	
14	Lao Family Community Development, Inc.	153,741	147,941		249,970	551,652	250,000		125,000			375,000	926,652	
15	Mandela Partners	135,000				135,000						0	135,000	
16	Oakland Private Industry Council, Inc.	579,586	564,391			1,143,977						0	1,143,977	
17	Oakland Public Works					0	284,000					284,000	284,000	
18	Rising Sun Center for Opportunity					0	34,940					34,940	34,940	
19	Safe Passages					0	223,539					223,539	223,539	
20	Swords to Plowshares: Veterans Rights Org	114,410	110,157			224,567						0	224,567	
21	Spanish Speaking Unity Council of Alameda Co, Inc.	153,741	147,941		249,970	551,652	250,000					250,000	801,652	
22	Trybe Inc.								12,572			12,572	12,572	
23	The Youth Employment Partnership Inc.				249,970	249,970	250,000		125,000			375,000	624,970	
24	Youth Uprising				249,970	249,970						0	249,970	
25	West Oakland Job Resource Center					0				345,615		345,615	345,615	
26	EASTBAY Works (OPIC)	7,830	7,827		7,823	23,480						0	23,480	
27	Professional Service Agreements					0	50,000					50,000	50,000	
28	<b>Service Provider Subtotal</b>	<b>1,144,308</b>	<b>978,257</b>	<b>0</b>	<b>1,186,253</b>	<b>3,308,818</b>	<b>1,588,822</b>	<b>320,000</b>	<b>262,572</b>	<b>345,615</b>	<b>0</b>	<b>2,517,009</b>	<b>5,825,827</b>	
29	<b>CITY OPERATIONS</b>													
30	EWD Admin/Finance	20,046	35,974		24,668	80,688						0	80,688	
31	Internal Service Fees					0		153,482				153,482	153,482	
32	Program Staff	244,945	172,485	245,751	150,739	813,920	275,272	321,239	177,162	191,788		965,461	1,779,381	
33	O&M					0	50,000					50,000	50,000	
34	<b>City Operations Subtotal</b>	<b>264,991</b>	<b>208,459</b>	<b>245,751</b>	<b>175,407</b>	<b>894,608</b>	<b>325,272</b>	<b>474,721</b>	<b>177,162</b>	<b>191,788</b>	<b>0</b>	<b>1,168,943</b>	<b>2,063,551</b>	
35	<b>TOTAL EXPENDITURES</b>	<b>1,409,299</b>	<b>1,186,716</b>	<b>245,751</b>	<b>1,361,660</b>	<b>4,203,426</b>	<b>1,914,094</b>	<b>794,721</b>	<b>439,734</b>	<b>537,403</b>	<b>0</b>	<b>3,685,952</b>	<b>7,889,378</b>	
36	<b>Fund Balance</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>413,336</b>	<b>0</b>	<b>137,428</b>	<b>0</b>	<b>75,000</b>	<b>625,764</b>	<b>625,764</b>	

# **OAKLAND WORKFORCE DEVELOPMENT BOARD**

## **RESOLUTION NO. 24-**

**A RESOLUTION OF THE OAKLAND WORKFORCE DEVELOPMENT BOARD (BOARD) AUTHORIZING THE FOLLOWING ACTIONS:**

- 1. ADOPTING THE FISCAL YEAR 2024-25 WORKFORCE DEVELOPMENT BUDGET; AND**
- 2. ACCEPTING AND APPROPRIATING WORKFORCE INNOVATION AND OPPORTUNITY (WIOA) TITLE I FORMULA FUNDS FOR ADULT, DISLOCATED WORKER, YOUTH AND RAPID RESPONSE SERVICES IN THE ESTIMATED AMOUNT OF THREE MILLION SIX HUNDRED SIXTY-NINE THOUSAND NINE HUNDRED FIFTY-ONE DOLLARS (\$3,669,951); AND**
- 3. ACCPETING AND APPROPRIATING TWO MILLION THREE HUNDRED TWENTY-SEVEN THOUSAND FOUR HUNDRED THIRTY DOLLARS (\$2,327,430) FROM CALIFORNIA VOLUNTEERS TO INCREASE YOUTH AND YOUNG ADULT EMPLOYMENT AND DEVELOP PATHWAYS INTO CAREERS IN PUBLIC SERVICE; AND**
- 4. APPROPRIATING ONE MILLION NINE HUNDRED EIGHTY-FOUR THOUSAND TWO HUNDRED EIGHTY-SIX DOLLARS (\$1,984,286) FROM THE GENERAL FUND AND OTHER FUNDS FOR WORKFORCE DEVELOPMENT; AND**
- 5. AUTHORIZING THE CARRYOVER OF UNSPENT FISCAL YEAR 2023-2024 WIOA AND OTHER FUNDS IN THE ESTIMATED AMOUNT OF FIVE HUNDRED THIRTY-THREE THOUSAND FOUR HUNDRED SEVENTY-FIVE DOLLARS (\$533,475) IN FISCAL YEAR 2024-2025; AND**
- 6. AUTHORIZING GRANT AGREEMENTS WITH SERVICE PROVIDERS COMPETITIVELY SELECTED TO PROVIDE COMPREHENSIVE, SPECIALIZED, BUSINESS ENGAGEMENT AND YOUTH SERVICES FROM WIOA TITLE I FORMULA FUNDS AND OTHER FUNDS FOR FISCAL YEAR 2024-2025**

**WHEREAS**, the Oakland Workforce Development Board (OWDB or Board) is mandated to oversee the expenditure of federal Workforce Innovation and Opportunity Act of 2014 (WIOA) funding in partnership with the Mayor as local chief elected official in a designated workforce development area such as the City of Oakland (City), and the Mayor has designated the City Administrator to act on the Mayor's behalf on all WIOA administrative matters; and

**WHEREAS**, the Board’s budget is made up of multiple funding streams that support the City’s workforce development efforts; and

**WHEREAS**, federal law requires that the Board adopt its own budget, while the Oakland City Charter stipulates that this budget must also be approved by the City Council; and

**WHEREAS**, both the City Council and Board must adopt a budget on or before June 30 of each calendar year; and

**WHEREAS**, the Board is charged with approving the use of WIOA funds that are allocated annually to through the State of California Employment Development Department (EDD), as well as other workforce development funds under the City’s purview. The Board must develop a budget that is subject to approval by the Mayor who serves as the Chief Elected Official of an area receiving WIOA funds; and

**WHEREAS**, the City operates on a two-year budget cycle; the budget cycle is based upon a fiscal year calendar that runs from July 1 through June 30 of the following year; and

**WHEREAS**, the City of Oakland has not yet received notice from State EDD of its estimated allotment of WIOA Title I formula funds for Fiscal Year 2024-25 for the adult, dislocated worker, rapid response and youth funding but is estimated to be Three Million Six Hundred Sixty-Nine Thousand Nine Hundred Fifty-One Dollars (\$3,669,951); and

**WHEREAS**, the City of Oakland was awarded from the State of California Office of the Governor’s California Volunteers in the amount of Two Million Three Hundred Twenty-Seven Thousand Four Hundred Thirty Dollars (\$2,327,430) for youth and young adult employment programs to be allocated for the period of May 1, 2024, through December 31, 2025; and

**WHEREAS**, an estimated total of Five Hundred Thirty-Three Thousand Four Hundred Seventy-Five Dollars (\$533,475) in unspent WIOA Title I formula funds from the FY 2023-24 budget has been identified to carry forward to the FY 2024-25 budget as allowed under WIOA funding provisions; and

**WHEREAS**, the Board’s FY 2024-25 budget is expected to include a General Fund appropriation of One Hundred Thousand Dollars (\$100,000) for workforce development and sector initiatives and Two Hundred Twenty Thousand Dollars (\$220,000) for the Day Laborer program to be allocated by the Board; and

**WHEREAS**, Army Base billboard revenue in the amount of Three Hundred Forty-Six Thousand Six Hundred Fifteen Dollars (\$346,615) is allocated annually to support the ongoing operations of the West Oakland Job Resource Center (WOJRC); and

**WHEREAS**, Oakland Municipal Code (OMC) Section 2.04.040.B requires a Request for Proposals/Qualifications process for all professional services contracts of more than Fifty Thousand Dollars (\$50,000); and

**WHEREAS**, the OWDB has selected, through a competitive request for proposals process, the service providers specified below to provide employment and training services to

adults, dislocated workers, youth with WIOA Title I formula funds and other funds received by the OWDB and the City; and

**WHEREAS**, under Senate Bill 734 (2011), 30 percent of the combined adult and dislocated worker funding must be used on eligible training services to assist job seekers with training and employment goals within the first fiscal year; and

**WHEREAS**, WIOA Section 129(a)(4) states the minimum out-of-school youth expenditure rate, minus administrative costs, for the youth formula-funded program is 75 percent of funds; and

**WHEREAS**, WIOA Section 129(c)(4) prioritizes work experience with the requirement that the local workforce development area must spend a minimum of 20 percent of non-administrative youth formula funds on work experience activities; and

**WHEREAS**, funds awarded to contracted service providers must be expended within the fiscal year; and

**WHEREAS**, a total of Two Million Sixty-Three Thousand Five Hundred Fifty-One Dollars (\$2,063,551) is budgeted to support City operations; and

**WHEREAS**, from time to time the City through the Board will have the opportunity to apply for and receive grant funds and contributions above and beyond the WIOA Title I formula funds to help build capacity and diversify funding for the workforce system; now, therefore, be it



**RESOLVED:** That the Board hereby adopts the following Fiscal Year 2024-25 Workforce Development budget and is authorized to enter into agreements pertaining to acceptance of such funds outlined in the budget below:

A	B	C	D	E	F	G	H	I	J	K	L	M	N	
1		<b>WORKFORCE INNOVATION AND OPPORTUNITY ACT (WIOA)</b>												
2		<b>Fund 2195</b>					<b>Fund 2159</b>	<b>Fund 1010</b>	<b>Fund 1030</b>	<b>Fund 5671</b>	<b>Fund 7999</b>			
3		<b>Dislocated</b>	<b>Rapid</b>				<b>Measure</b>					<b>Misc</b>	<b>Other Revenue</b>	
4		<b>Adult</b>	<b>Worker</b>	<b>Response</b>	<b>Youth</b>	<b>WIOA Subtotal</b>	<b>CA Volunteers</b>	<b>General Fund</b>	<b>HH</b>	<b>Billboard</b>	<b>Donations</b>	<b>Subtotal</b>	<b>GRAND TOTAL</b>	
4	<b>ESTIMATED REVENUES</b>													
5	Estimated Carryover Revenue	184,961	156,354		192,160	533,475						0	533,475	
6	Estimated FY 2024-2025 Revenue (Baseline)	1,224,338	1,030,362	245,751	1,169,500	3,669,951	2,327,430	794,721	577,162	537,403	75,000	4,311,716	7,981,667	
7	<b>TOTAL REVENUE</b>	<b>1,409,299</b>	<b>1,186,716</b>	<b>245,751</b>	<b>1,361,660</b>	<b>4,203,426</b>	<b>2,327,430</b>	<b>794,721</b>	<b>577,162</b>	<b>537,403</b>	<b>75,000</b>	<b>4,311,716</b>	<b>8,515,142</b>	
8	<b>EXPENDITURES</b>													
9	<b>SERVICE PROVIDER CONTRACTS</b>													
10	Workforce Development Services (TBD)					0		100,000				100,000	100,000	
11	Causa Justa					0		220,000				220,000	220,000	
12	Civicorps					0	246,344					246,344	246,344	
13	Genesys Works Bay Area				178,550	178,550						0	178,550	
14	Lao Family Community Development, Inc.	153,741	147,941		249,970	551,652	250,000		125,000			375,000	926,652	
15	Mandela Partners	135,000				135,000						0	135,000	
16	Oakland Private Industry Council, Inc.	579,586	564,391			1,143,977						0	1,143,977	
17	Oakland Public Works					0	284,000					284,000	284,000	
18	Rising Sun Center for Opportunity					0	34,940					34,940	34,940	
19	Safe Passages					0	223,539					223,539	223,539	
20	Swords to Plowshares: Veterans Rights Org	114,410	110,157			224,567						0	224,567	
21	Spanish Speaking Unity Council of Alameda Co, Inc.	153,741	147,941		249,970	551,652	250,000					250,000	801,652	
22	Trybe Inc.								12,572			12,572	12,572	
23	The Youth Employment Partnership Inc.				249,970	249,970	250,000		125,000			375,000	624,970	
24	Youth Uprising				249,970	249,970						0	249,970	
25	West Oakland Job Resource Center					0				345,615		345,615	345,615	
26	EASTBAY Works (OPIC)	7,830	7,827		7,823	23,480						0	23,480	
27	Professional Service Agreements					0	50,000					50,000	50,000	
28	<b>Service Provider Subtotal</b>	<b>1,144,308</b>	<b>978,257</b>	<b>0</b>	<b>1,186,253</b>	<b>3,308,818</b>	<b>1,588,822</b>	<b>320,000</b>	<b>262,572</b>	<b>345,615</b>	<b>0</b>	<b>2,517,009</b>	<b>5,825,827</b>	
29	<b>CITY OPERATIONS</b>													
30	EWD Admin/Finance	20,046	35,974		24,668	80,688						0	80,688	
31	Internal Service Fees					0		153,482				153,482	153,482	
32	Program Staff	244,945	172,485	245,751	150,739	813,920	275,272	321,239	177,162	191,788		965,461	1,779,381	
33	O&M					0	50,000					50,000	50,000	
34	<b>City Operations Subtotal</b>	<b>264,991</b>	<b>208,459</b>	<b>245,751</b>	<b>175,407</b>	<b>894,608</b>	<b>325,272</b>	<b>474,721</b>	<b>177,162</b>	<b>191,788</b>	<b>0</b>	<b>1,168,943</b>	<b>2,063,551</b>	
35	<b>TOTAL EXPENDITURES</b>	<b>1,409,299</b>	<b>1,186,716</b>	<b>245,751</b>	<b>1,361,660</b>	<b>4,203,426</b>	<b>1,914,094</b>	<b>794,721</b>	<b>439,734</b>	<b>537,403</b>	<b>0</b>	<b>3,685,952</b>	<b>7,889,378</b>	
36	<b>Fund Balance</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>413,336</b>	<b>0</b>	<b>137,428</b>	<b>0</b>	<b>75,000</b>	<b>625,764</b>	<b>625,764</b>	

;and be it

**FURTHER RESOLVED:** That the Board hereby accepts and appropriates the Fiscal Year 2024-2025 WIOA Title I formula funding for Adult, Dislocated Worker, Youth and Rapid Response services in the estimated amount of Three Million Six Hundred Sixty-Nine Thousand Nine Hundred Fifty-One Dollars (\$3,669,951), and is authorized to enter into agreements pertaining to the acceptance of such funds; and be it

**FURTHER RESOLVED:** That given possible variances in WIOA allocations from the U.S Department of Labor and the State EDD, the Board is authorized to accept additional WIOA funding allocations for Fiscal Year 2024-25 above Three Million Six Hundred Sixty-Nine Thousand Nine Hundred Fifty-One Dollars (\$3,669,951); and be it

**FURTHER RESOLVED:** That the Board hereby accepts and appropriates the State of California Office of the Governor's California Volunteers in the amount of Two Million Three Hundred Twenty-Seven Thousand Four Hundred Thirty Dollars (\$2,327,430) for youth and young adult employment programs to be allocated for the period of May 1, 2024, through December 31, 2025, and is authorized to enter into agreements pertaining to the acceptance of such funds; and be it

**FURTHER RESOLVED:** That the Board hereby accepts and appropriates an additional One Million Nine Hundred Eighty-Four Thousand Two Hundred Eighty-Six Dollars (\$1,984,286) in General Funds and other funds; and is authorized to enter into agreements pertaining to the acceptance of such funds; and be it

**FURTHER RESOLVED:** That the Board authorizes an estimated total of Five Hundred Thirty-Three Thousand Four Hundred Seventy-Five Dollars (\$533,475) in unspent or unobligated WIOA Title I formula funds from FY 2023-24, to be carried over and reallocated into Fiscal Year 2024-25; and be it

**FURTHER RESOLVED:** That Board also authorizes any carryover of unspent FY 2023-2024 funds to contracted service providers in FY 2024-2025; and be it

**FURTHER RESOLVED:** That each contract for workforce development activities funded with WIOA Title I formula funds and other funds shall have specific performance benchmarks consistent with WIOA and program regulations, and that the City shall terminate the contract of a service provider that materially fails to meet contract performance, with funds reallocated to existing service providers or an on-call pool; and be it

**FURTHER RESOLVED:** That the Board hereby authorizes contracts for Fiscal Year 2024-2025 workforce development funds through June 30, 2025, with an option to renew for an additional twelve (12) months through June 30, 2026; and be it

**FURTHER RESOLVED:** That the Board is hereby authorized to spend such funds in Fiscal Year 2024-2025 and take other action with respect to the authorized contracts consistent with the Resolution and its basic purposes, subject to review and approval by the City Attorney's Office as counsel to the Board.

PASSED BY THE FOLLOWING VOTE:

AYES -

NOES -

ABSENT -

ABSTENTION -



### ITEM. III.c - INFORMATIONAL

**To: Oakland Workforce Development Board**  
**From: OWDB Staff**  
**Date: May 2, 2024**  
**Re: Workforce Accelerator Fund (WAF) 10.0 | East Bay Youth Technology  
Apprenticeship Program (EBYTA)**

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#### PROGRAM SUMMARY

On April 18, 2022, the City of Oakland was awarded \$500,000 from the California Workforce Development Board Workforce Accelerator Fund 10.0 Grant. The board approved the funding during a Special Meeting on Jun 16, 2022, and the program ran from June 1, 2024, to March 31, 2024.

This project regionalized support for youth aged 16 to 25 years who were disconnected from work or school (Opportunity Youth), focusing on the Information Technology sector and providing a paid skills-building bridge and pre-apprenticeship programs that would connect participants to 1) California Department of Labor (DOL) approved apprenticeship programs, 2) post-secondary education, or 3) IT entrepreneurship in the tech sector.

OWDB served as the lead for the project and sub-contracted with Lao Family Community Development (LFCD), Inc. to deliver program operations which included recruiting, enrolling youth who were being served by LFCD, or were referred by other OWDB youth providers or the three regional WDB partners (Alameda County, Contra Costa and City of Richmond). LFCD also acted as the pay agent for administering supportive services and payments to Bitwise, Tina Robertson Consulting, Empathway Designs and Love Never Fails as well as monitored and tracked completion and placements.

The 14-week bridge/pre-apprenticeship program was provided for 2 cohorts of 15 participants each (30 total) by Love Never Fails, Bitwise Industries,<sup>1</sup> and Empathway Designs.<sup>2</sup> The programs offered flexible training schedules that included evening, teacher-led or self-paced instruction with wraparound and support services such as needs-based payments to assist with familial financial obligations, quality laptops, and hot spots; all barriers that could have deterred participants from program completion.

<sup>1</sup> *Bitwise Industries – Provided training services to Cohort 1 only. Company was shut down as of May 27, 2023.*

<sup>2</sup> *Empathway Designs – Former Bitwise employees who offered to continue training services as non-Bitwise representative.*

**HIGHLIGHTS**

Despite the sudden shutdown of Bitwise Industries, OWDB and its partners were able to set up training for Cohort 2, utilizing former Bitwise employees who were familiar with the original training curriculum set up by Bitwise and partner with Love Never Fails to utilize their virtual training platform to meet with participants. The start of training was delayed by 2 weeks in order to reconfigure training and extend its web development portion by additional 2 weeks, as suggested from feedback by former participants of Cohort 1.

Tina Robertson Consulting and Empathway Designs established on-the-job and work experience opportunities to participants who were interested in work-based learning with businesses in the tech industry such as Tech Exchange and Stride Labs since Bitwise was shut down and could no longer offer their apprenticeship programs as originally set-forth in the planned programming.

Other participants who did not move forward with on-the-job training either entered post-secondary education, continuing training courses that was offered by Love Never Fails or pursued entrepreneurial opportunities with support by The Renaissance Center.

Total Enrollments	
Total Program Completions	
Total Certificate Attainments:	

**ATTACHMENTS**

EBYTA WAF 10 OJT Review Report 2024 – Empathway Designs



EMPATHWAY  
DESIGNS

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EBYTA  
WAF10

On-The-Job  
Training  
Review

2024

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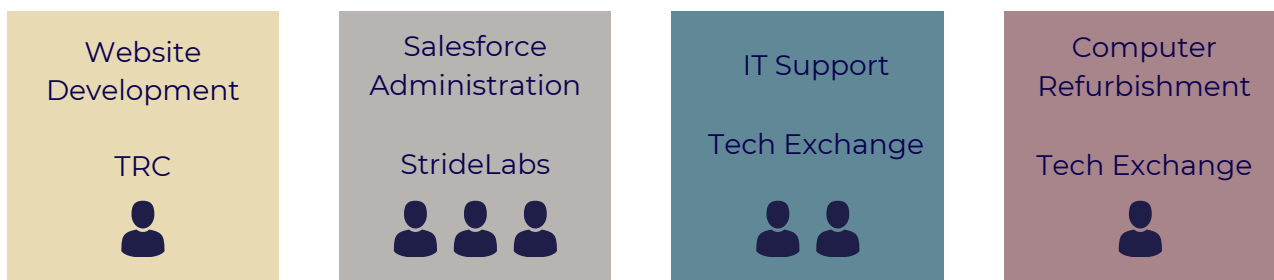
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# INTRODUCTION

## BACKGROUND

In early 2024, seven East Bay young adults had the opportunity to engage in on-the-job training (OJT) in various technical roles and worksites. Within the prior year, these students completed two virtual technology skill-building courses: a 12-week introductory IT course with ITBiz and a 6-8-week beginner website development course with Bitwise Industries or Empathway Designs.

Before starting the OJT, coaches met individually with students to preview available worksites and discuss how each site may contribute to the student's unique professional goals. Students then chose their desired worksite and interviewed with site hosts. Coaches were present for some interviews. Students chose from the following roles and worksites;



Students coordinated their work schedules with worksite hosts. The majority of students participated in six weeks of OJT. Five of the seven students provided feedback to the WAF10 team, contributing to this report. One of those students participated in only one week of OJT due to scheduling challenges. A close examination of the students' feedback informs the efficacy of this OJT program and provides invaluable user information for use in future programmatic design.

## METHOD

Student feedback was gathered through an hour-long virtual interview with the coaches and a digital survey completed independently by students. Collectively, these data collection methods sought to capture an overview of each student's OJT experience, the technical and professional skills gained, personal growth outcomes, and features of the OJT program that enabled and enhanced the student's experience.



# RESULTS

## WRAP-AROUND SERVICES

Participants were asked whether they received supportive services and how it enabled their participation. Four of 5 students utilized and found the available wrap-around supports helpful. Specifically:



### Provision of a computer

*"It helped with remote job(s) and web development."*

### Case management

*"(my case manager) sent me a flyer ... telling about this opportunity."*

### Career coaching/Navigation support

*"The counseling really helped me organize and achieve my goals." "It helps by making me see the path that I am taking and will be taking in life clearly."*



# RESULTS

## PERCEPTION OF PROGRAM

To elicit a response unmotivated by perceptions of hierarchical relationships as might exist if asked how they would describe this program to a parent or job recruiter. Participants were asked how they would describe this tech training program to an interested friend. Participant answers included:



*“A great opportunity that helps you accomplish the goals you have in life, both career and personal goals. Helps and guides you to opportunities that align with values.”*

*“It’s a fantastic program where you learn about Salesforce and hands-on, in-person or remote, tech support.”*

*“All about this program is gaining. Whether technology knowledge or companionship, you’re going to gain a lot. While getting paid? I don’t think I could find a better program.”*

*“A powerful opportunity that can enhance or broaden your skills especially in tech”*

100% of respondents reported that the associated technical training courses taken before OJT adequately prepared them for their OJT. 80% reported that these courses made them feel well-prepared. 100% of respondents said they would recommend this OJT program to a friend.

Students were also asked to share the qualities that contributed to their success in this OJT. Most students identified the qualities of willingness to learn, open-mindedness, curiosity, inquisitiveness, and patience. Student perceptions of the program and what makes a successful candidate help inform future recruitment and program design.

# RESULTS

## PROGRAM STRUCTURE

Data collection methods aimed to identify structural features of this OJT program that contributed to student participation and success. 60% of respondents were concurrently enrolled in college, and 60% of respondents were employed in addition to their OJT role. With this understanding, a key design feature of this program leading to successful completion was a flexible framework for work days and hours worked. Another critical design feature of this program was identifying worksites that would welcome and support the development of entry-level talent from diverse backgrounds.

100 %  
of respondents

- Reported having a say in the number of hours worked, and that their site offering schedule flexibility enabled their participation in this program
- Reported having a designated point person at their job site
- Strongly agreed that they felt comfortable speaking with this point person

”

*“My supervisor was amazing; took a lot of time to demo and instruct.”*

*“The team was very kind, caring, and flexible around mistakes.”*

*“This is the first time I saw companionship at work.”*

# RESULTS

## PROGRAM STRUCTURE

Participants identified additional OJT structural best practices as strongly enhancing their learning.

- Job tasks were appropriately challenging (100%)
- Frequent communication with site supervisor (80%)
- Interaction with a variety of career professionals (80%)
- Ability to observe and model work operations (80%)
- Clear instructions (80%)
- Clear expectations (80%)
- The availability of weekend work hours (60%)
- Self-paced learning (60%)
- Remote work options (60%)
- Professional mentors (60%)
- Introspect & Connect support and networking groups (60%)
- Direct interaction with clients (60%)
- Easy access to site supervisor (60%)

Notably, there were site-specific variations (i.e., not all sites exposed students to career mentors), and not all students attended the offered off-site Introspect & Connect Groups.



# RESULTS

## PORTABLE AND MARKETABLE SKILLS

In addition to a structural examination, the data collection methods identified outcomes of this OJT program that contribute to student professional growth and development. The areas of specific inquiry were the attainment of portable (transferable) technical and professional skills, knowledge, and assets that increase employability and self-efficacy.

### Portable Skills

- Increased technical knowledge in specific areas of study (web dev, Salesforce Administration, IT, refurbishment) (80%)
- Improved verbal communication (80%)
- Improved written communication (60%)
- Increased ability to explain complex technological concepts (60%)
- Improved customer service skills (60%)
- Increased understanding of how gained technology skills can help community members (60%)

### Student Identified “Top 3” Attained Marketable Skills By Placement

- Web Development: WordPress, BeTheme, Understanding of Host vs. Domain
- Salesforce: Patience, Data entry, social confidence with clients
- Hardware Refurbishment: Erasing hard drives, testing computers, refurbishing computers
- IT Support: Adaptability, customer focus, strong verbal communication

# RESULTS

## REAL-WORLD EXPERIENCE

During interviews, students stressed the unique value of OJT experiences. Their insights astutely capture the knowledge and experience they gained on the job, which is otherwise nearly impossible to simulate in a classroom setting.



*“I learned standing is important! Real experience with the conditions that support my ability to work well as a knowledge worker.”*

*“(I learned) how to manage workflows and client meetings.”*

*“I learned how to create SFDC report types, dashboards, and automation formulas for client needs.”*

*“I’ve built websites, and I’m in school for CS, but this was the first time I was forward-facing, helping the customer and working on website design.”*

*“Experience working with real-life deadlines.”*

*“Identifying key questions that reveal the client's need and also what their priorities are.”*

*“The groups helped me understand that it’s not just hustle. There are things I can do like deep breathing and reflecting that make me work better.”*

# RESULTS

## EMPLOYABILITY

When examining the outcomes of this program, data collection methods aimed to identify the attainment of knowledge and experience through this OJT that enhanced the students' employability.

**100 %**

of respondents reported that following this OJT they have an

- Increased understanding of how skills and tasks practiced during this OJT transfer to professional roles and other job sites
- Improved ability to understand job listings for tech roles
- Expanded professional network
- Increased visibility of the variety of available tech jobs and the skills, competencies, and certifications required by those jobs

Enhanced employability following this OJT was evident in student identification of tangible next steps in their professional development.

For example:

- Learning Salesforce Automation formulas.
- "I need more experience learning through doing so that I can practice fulfilling customer needs that emerge in real-world scenarios. I can do this through a fellowship."
- Daily practice completing coding assessments within the time frames presented during technical interviews.

# RESULTS

## EMPLOYABILITY

Following this OJT period, the students interviewed were encouraged to practice communicating their existing skills as they might during a job interview. Some highlights from their reflections;

*“I am able to talk to clients efficiently and professionally, collect their needs and communicate how I can fulfill them.”*

*“The variety of jobs I’ve had makes me a more comprehensive candidate.”*

*“I am customer-centered, a problem solver, success-oriented, and relational”*

Students offered these additional insights about how this OJT increased their employability:

- This OJT offered visibility into what non-profit organizations need and how deploying Salesforce can help non-profits with those needs.
- During a job interview, being able to reference a real-world project and how one managed deadlines, teamwork, client communication, and everything else required to accomplish the project makes for a better job candidate.





# RESULTS

## SELF-EFFICACY

Data collection methods also sought to illuminate the impact this OJT experience had on student self-efficacy moving forward into their careers.

### Self-efficacy

- Increased ability to identify next steps in achieving their career goals (100%)
- Improved self-confidence (100%)
- Increased confidence that they have what it takes to get an entry-level job in tech (100%)
- Confidence that there is a job in tech for them in the next 2 years (100%)
- Increased empowerment (80%)
- This OJT program helped me see a future in tech for myself (80%)

*“I got to talk to real professionals in the field, learn how they started their journey, and see elements of my own story in theirs.”*

*“In my time in the OJT, we cut down customer tickets from like 80 to 3. I had no prior knowledge of using SFDC.”*

*“I saw how my help led to my customers having more confidence in their own tech use.”*

*“Before this internship, I was scared to start this path, but now I feel more empowered.”*

# RESULTS

## EVOLVING MINDSETS

Data collection following this OJT revealed the power of real-world work experiences in widening the mindsets of tomorrow's workforce. Illuminating inner strengths and challenging traditional barriers like Imposter Syndrome.

”

*“Rather than thinking that I need to know what I’m doing, I’m learning that I can research and understand what is required.”*

*“Tech service is a human service. It's an essential way of helping people. I can contribute to digital equity.”*

*“Patience and curiosity are necessary for helping people. Rushing can lead to a mess. You have to take the time to learn what you need to help someone.”*

*“I usually point out the negative or what I haven't accomplished yet. I’m working on focusing on what I’ve accomplished instead.”*

*“This experience has helped me see that software engineer is not the only role in technology.”*

*“Before this experience, I was afraid that I might be seen as taking on a “male-dominated” job. Now, I know that I can do this job and be accepted.”*

*“The benefits of working far outside my comfort zone outweigh the discomfort.”*

# CONCLUSION

The EBYTA program aimed to adapt and regionalize support for youth ages 16 to 24 years to connect to work or school (“Opportunity Youth”), focusing on the tech sector. Providing a paid skills-building bridge and pre-apprenticeship program connecting participants to 1) Paid Apprenticeship/Work Experience Placements, 2) post-secondary education, or 3) IT entrepreneurship in the tech sector. While limited in duration and small in scale, participating youth reported this OJT experience to be significantly impactful. Students conveyed how wrap-around services and schedule flexibility were essential to enabling their participation as they navigated multiple responsibilities. They illuminated the positive effects of OJT, particularly when informed by best practices and thoughtfully designed. They astutely conveyed the unique ability of OJT to advance technical and professional skills, employability, self-efficacy, and evolving professional mindsets.





### ITEM. III - INFORMATIONAL

**To:** Oakland Workforce Development Board  
**From:** Greg Minor, Special Activity Permits Division, Economic and Workforce Development Department  
**Date:** April 26, 2024  
**Re:** Developing Oakland’s Film Industry

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#### **RECOMMENDATION**

Staff recommends that the Oakland Workforce Development Board (OWDB) accept an informational report on developing the City of Oakland’s film industry.

#### **EXECUTIVE SUMMARY**

The City of Oakland (City) is in the process of developing its film industry in order to realize the “win-win-win” of generating local employment and business opportunities, attracting new tax revenues to support City services, and providing outlets for community expression. This report provides an overview of current barriers impeding Oakland’s film industry as well as strategies to overcome these obstacles.

#### **BACKGROUND**

##### *Oakland’s Current Film Permitting Process and Film Office*

The City’s current involvement with the film industry is limited to the permitting of film productions under the guidelines of [Oakland Municipal Code \(OMC\) 5.24](#). Specifically, a portion of one full-time employee in the Special Activity Permits Division in the Economic and Workforce Development Department (EWDD) responds to film production inquiries and issues permits that prescribe the time, place, and manner a film production may occur. The permitting process includes collecting a film permit fee that ranges from \$60 to \$300 a day depending on the type of production as well as fees for any staff that City provides during filming activity.

**Figure One** below outlines the volume of permits issued annually from 2019-April 2024.

**Figure One: Number of Film Permits Issued Annually 2019-April 2024**

<b>Year</b>	<b>Number of Film Permits Issued</b>
2019	247
2020	87
2021	159
2022	144
2023	74
January-April 2024	21

Notably, the City’s Film Office does not include any financial incentives for film productions to situate in the City nor a marketing function. The lack of a City fee waiver or a rebate for local expenses made by film productions places the City at a competitive disadvantage with local jurisdictions that offer those incentives, as described in the following section. However, even if the City Council authorized fee exemptions and rebates for film productions’ local expenses, at present the City lacks staff to administer these programs; rebate programs require additional staff to review rebate applications to confirm they meet eligibility criteria and to verify local expenses. Likewise, the City currently lacks marketing staff to attract film productions to film in the City. Consequently, only those film productions that are already familiar with the City and its variety of landscapes are likely to film in the City, thus only a fraction of all film productions consider filming in the City. In summary, the City’s existing approach to film productions is reactive and limited in scope to permitting, which restrains the size of the City’s film industry.

*How Other Jurisdictions Attract and Benefit from Film Productions*

Numerous local and state<sup>1</sup> jurisdictions in the United States and abroad have adopted programs to incentivize film productions to take place in their jurisdiction with the goal of attracting economic activity inside their jurisdictions. The economic activity from film productions can take the form of staying at local hotels, supporting local businesses, as well as employing local residents. **Figure Two** below provides a sample of local jurisdictions that offer financial incentives to film productions.

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<sup>1</sup> The State of California provides tax credits to films produced in California, including an additional credit for productions outside of the Los Angeles region (see <https://film.ca.gov/tax-credit/the-basics-3-0/>).

**Figure Two: Local Government Film Industry Incentives**

<b>Jurisdiction Name</b>	<b>Program Scope</b>	<b>Eligibility Criteria Summary</b>	<b>Amount</b>
San Francisco, CA	Refund of City fees	More than half of principal photography must take place in San Francisco	Up to \$1 million available annually; Maximum Individual Award=\$600,000
Sacramento, CA	Grants for City fees and local expenses.	Either 50% of filming in Sacramento region or 75% of post-production in the City of Sacramento.	Production grants of \$10,000 and post-production grants of \$5,000.
San Antonio, TX	Rebate on 7.5 % of approved spending in San Antonio	Films and TV shows with at least 60% of production days in San Antonio area that spend at least \$100,000 and 70% of crew and cast are Texas residents and at least 10% of case and crew are San Antonio residents.	Maximum Individual Award=\$250,000
Oklahoma City, OK	Rebate on 20-30% of qualifying expenditures	Qualifying expenses include Oklahoma resident labor, local expenses.	Program Capped at \$3 million
New Orleans, LA	Tax credit up to 40% of eligible expenses	Create minimum of five new direct jobs for Louisiana residents.	Tax Credits up to \$180 million per year

The impact of film incentive programs varies by jurisdiction and how one measures the impacts. In the case of the City and County of San Francisco (San Francisco), San Francisco found that for every dollar it rebated since 2006 productions have spent \$13.66 locally and that productions have hired more than 15,664 local crew and actors represented by unions and 204 first source hires.<sup>2</sup> Moreover, San Francisco Travel asserts that film and television shows set in San Francisco inspire a large percentage of San Francisco visitors. Together these three examples

<sup>2</sup> Film SF Impact Report Fiscal 2022-2023 available at: [https://www.sf.gov/sites/default/files/2024-01/Film%20SF%20Impact%20Report%20FY22\\_23.pdf](https://www.sf.gov/sites/default/files/2024-01/Film%20SF%20Impact%20Report%20FY22_23.pdf)

demonstrate the “win-win-win” economic potential of film productions. For additional examples and an analysis of an Oakland Production Incentive, please review **Attachment One**, Final Report to the Center for Cultural Power by Olsberg SPI.

### *Oakland’s Employment Needs*

The City of Oakland’s Workforce Development Board (OWDB) works in partnership with community benefit organizations, industry, other City departments, and regional agencies to build pathways to prosperity. OWDB understands that the road to quality, empowered, and meaningful careers requires persistence, collaboration, endurance, investment, capacity building, and innovation. Through OWDB partnerships and investments, we strive to provide the support and services needed, especially for community members who have been harmed by historical and current systemic disparities and thus face barriers to employment. The pathway to a quality job may take a long-term approach and look differently across industries and populations, but to create equitable economies, all Oaklanders are entitled to employment that provides the following characteristics:

- Options for full-time, regular employment, paying family-sustaining wages.
- Benefits and social protections, such as health, dental, retirement, pension/retirement savings, subsidized dependent care/flex spending, paid family/sick leave, disability insurance.
- Safe working conditions.
- Disability-friendly and accessible work site(s) and hiring practices.
- Employees' training, upskilling and advancement, and transparency of workplace policies.
- Stable, automation-resilient pathways (and/or contingency plans for technical/industry advances).
- Policies to include workers’ voices, expertise, cultures, and perspectives and ability to organize labor unions without obstruction.
- Equitable hiring practices and working environments (Takes a systematic, intentional approach to generating opportunity for those who are under-represented and/or face barriers to quality employment.)
- Work functions that are environmentally sustainable (and/or employer is actively working towards environmentally sustainable goals given the serious economic implications of climate change and the disproportionate impact on low-income communities & communities of color.)

When combined, the characteristics of a quality job create a platform for workers to not only survive, but also to thrive and advance. Quality careers provide an inclusive, safe environment where equitable values are built into the workplace and cultural norms nurture opportunity, recognition, and belonging for all employees (or worker/owners.)

In 2020, the OWDB conducted a race and equity analysis that identified disparities in employment access in Oakland.<sup>3</sup> Specifically, the analysis found that in the communities of East

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<sup>3</sup> Oakland Workforce Development Board Special Meeting June 24, 2020 agenda packet, pp.17-48 available here: <https://cao-94612.s3.amazonaws.com/documents/Agenda-and-staff-report-for-Special-Meeting-of-the-Oakland-Workforce-Development-Board-June-24-2020.pdf>

Oakland, Fruitvale and West Oakland, where a high number of Black and Latinx residents live, community members are unemployed at higher rates than the general population. The race and equity analysis included a stated goal of increasing “access to workforce services and improving the employment outcomes for residents in zip codes (94621, 94603, 94605, 94601,94607) with the highest unemployment rates.” The analysis also identified specific actions to advance this goal, including ensuring workforce funding is distributed to these neighborhoods, and exploring partnerships with organizations in these neighborhoods to increase access points.

*Current Barriers to Local Film Production*

Despite a large creative community in the Bay Area, many productions take place outside the City due to the cost of film production in the City. The City is a high-cost market for production due to both the general high cost of living in the Bay Area as well as the high cost of renting film equipment as a result of the lack of local film infrastructure such as studios and sound stages (see **Attachment One**). The lack of local rental houses requires film productions to have to drive equipment up from Los Angeles, which increases the cost of film production in the City. Consequently, film productions focused on minimizing costs opt to film in Los Angeles or in jurisdictions outside of California that offer generous financial incentives for film production.

**ANALYSIS AND POLICY ALTERNATIVES**

Developing the City’s film industry advances the Citywide priority of **housing, economic, and cultural security** by increasing local employment opportunities, generating new tax revenues, and fostering outlets for community expression. Below staff outlines a framework for achieving these goals.

*A. Establish an Incentive Program for Film Productions*

To offset the comparatively high cost of production in the City compared to Los Angeles, the City should consider adopting a financial incentive program as outlined in **Figure Three** below.

**Figure Three: Proposed Financial Incentive Framework**

<b>Eligibility Criteria</b>	<b>Baseline Incentive</b>	<b>Additional Incentives</b>
Production must provide film skills and training to Oakland residents as determined by the City of Oakland's Film Office; AND	10% rebate on any items purchased or rented in Oakland, as well as wages of Oakland residents.	2.5% additional rebate on wages of Oakland residents from zip codes with highest levels of unemployment.
Minimum expenditure of \$250,000		2.5% additional rebate for expenses on vendors from zip codes with highest levels of unemployment.



In terms of eligibility criteria, staff recommends establishing a minimum expenditure threshold of \$250,000 to avoid spending limited staff time reviewing extremely small projects produced by hobbyists while still supporting small budget independent projects. Additionally, staff recommends that all film productions receiving a rebate provide Oakland residents with skills and training; staff welcomes input from the OWDB on the form and scope of this requirement.

With respect to the incentive amount, staff recommends a baseline incentive of ten percent for any Oakland expenses. This approach is simple and should be attractive to film productions interested in staying in California as no local jurisdiction in California currently offers a rebate on all local expenses. Additionally, staff recommends two targeted additional incentives to encourage film productions to hire residents and utilize vendors from zip codes with disproportionately high levels of unemployment, namely zip codes 94621, 94603, 94605, 94601, 94607. The intent of these additional incentives is to reduce employment disparities within the City by providing extra financial incentives for film productions to support less resourced communities.

### *B. Add Staff to Market Filming in Oakland and Administer Incentive Program*

The addition of staff to promote filmmaking in the City and administer a financial incentive program for film productions will shift the City from a reactive to a proactive posture aimed towards the “win-win-win” economic potential of additional film productions in the City.

#### *i. Marketing Staff Will Maximize Oakland’s Potential*

As noted earlier, the City has a range of locations and communities that film productions and production companies outside of the Bay Area are not likely to be familiar with and that existing staff lack the capacity to properly market the City’s opportunities. An additional staff member could take on this project and ensure producers are aware of all the City has to offer.

#### *ii. Financial Incentive Programs Require Oversight*

Likewise, implementing a financial incentive program, particularly a rebate program, requires additional staff to review applications. This work will require interacting with producers in advance of productions to screen their eligibility and thorough reviews of expenditures post-production. This work is essential to ensuring the City receives the benefits from the financial incentive program. Sufficient staffing is key to attracting interest from film productions as well, as prompt and clear responses from City staff will provide producers with the confidence they need to situate their productions in the City.

### *C. Leverage City Property Where Feasible*

The City has an extensive portfolio of owned properties, including development sites, parks and open spaces, and other community facilities that can be made available as filming locations. The Master Fee Schedule currently requires payment of a \$2,607.25 fee for the required license agreements, but the City could create a fee exemption for film productions that meet desired eligibility criteria, provided the City established a source of funding to cover any fees waived.

Given the City's current fiscal environment, a fee waiver program may be more appropriate after the initial phase of the program.

It may also be possible to incorporate film infrastructure into the disposition and development plans for surplus City-owned development sites. Developing film infrastructure would reduce the cost of film production in the City and thus is another way of encouraging film productions to take place locally. As noted earlier, the lack of studio and sound stages in the City limits indoor shooting and post-production in the City. Likewise, the lack of local film equipment increases the current cost of filming in the City as this requires productions to transport their equipment from Los Angeles. Developing sound stages, studios, and equipment storage facilities on surplus City-owned development sites could address these issues and potentially serve as film industry employment and small filmmaker incubator. The disposition and development of these sites is subject to the State Surplus Lands Act, which prioritizes the use of surplus public property for affordable housing development. However, this does not necessarily preclude film infrastructure development on these sites, and staff can further explore the feasibility of this potential strategy.

To ensure City property benefits City residents, staff recommends requiring film productions that utilize City property hire City residents and support entrepreneurs from areas with disproportionately high levels of unemployment.

#### *D. Launch Program as a Pilot and Evaluate Effectiveness Over Time*

While growing the City's film industry has the potential to generate local employment and tax revenues as well as inspire tourism, these outcomes are not a given. Film productions can have a negative impact, such as impeding customers from supporting local businesses,<sup>4</sup> and the public deserves oversight over any investment of public funds to ensure they are achieving their stated objective effectively. Accordingly, staff recommends launching the financial incentive program as a pilot for a limited number of years rather than a permanent program. This approach will allow the City to evaluate the impact of the program and make any needed adjustments based on lessons learned through implementation.

## **FISCAL IMPACT**

As described above, developing the City's film industry has the potential to increase tax revenues and reduce unemployment. Film productions increase tax revenues directly through film productions' spending on local businesses and hotels as well as indirectly by inspiring people to visit the City after seeing a film or television series filmed in the City.

To attract these benefits, staff propose launching a financial incentive program for film productions which will cost the City both in the form of the rebate funds provided as well as the cost of City staff required to implement the rebate program. Staff will provide additional fiscal analysis once the City confirms the source and amount of funding for this project.

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<sup>4</sup> See <https://www.ktvu.com/news/freaky-ales-movie-shoot-irking-some-oakland-merchants>

## **COORDINATION**

The Economic and Workforce Development Department consulted with the Office of the Mayor, the Office of Councilmember Fife, the Finance Department, the Department of Race and Equity, and the Office of the City Attorney in preparation of this report.

## **SUSTAINABLE OPPORTUNITIES**

***Economic:*** Developing the City’s film industry offers a “win-win-win” opportunity by generating new tax revenues from hotel stays and support of local businesses, new jobs from local hiring, and increased tourism from new film and television shows exposing the City to new audiences.

***Environmental:*** Encouraging local entertainment and employment opportunities can reduce commutes and related greenhouse gas emissions.

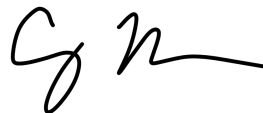
***Race and Equity:*** A financial incentive program to hire residents and support entrepreneurs from areas of the City with disproportionately high levels of unemployment will reduce racial disparities in employment and wealth building.

## **ACTION REQUESTED**

Staff recommends that the Oakland Workforce Development Board (OWDB) accept an informational report on developing the City of Oakland’s film industry.

For questions regarding this report, please contact Greg Minor, Deputy Director, Economic and Workforce Development Department, at (510) 238-6370.

Respectfully submitted,



GREG MINOR  
Deputy Director, Economic and Workforce  
Development Department

Attachment One: Final Report to the Center for Cultural Power by Olsberg SPI.

# Feasibility and Design Study for a new Oakland Production Incentive

Final Report to the  
Center for Cultural  
Power by Olsberg • SPI

15<sup>th</sup> April 2024

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## 1. INTRODUCTION

### 1.1. About the Study

Oakland is well-positioned to grow its film and television production ecosystem and attract valuable production investment, but in recent years has lost productions to other Californian markets and other US or global markets that offer incentives programs.

Against this backdrop, the Center for Cultural Power (the “**Client**”) commissioned Olsberg•SPI (“**SPI**”) to analyze Oakland’s production sector, as well as the production landscape in comparable markets, and design the outlines of a new competitive production incentive for Oakland (the “**Study**”). The Study involves four key elements:

1. Analysis of in-state and out-of-state competitor markets
2. Assessment of the rationale for an Oakland incentive
3. Incentive design
4. Recommendations for ongoing data collection.

This Final Report presents SPI’s findings, focusing on research into Oakland’s production sector and comparable markets to provide an informed and proportionate incentive design.

### 1.2. Summary of Findings

#### 1.2.1. Rationale for an Oakland Production Incentive

Oakland has built a reputation as a strong creative center for film and television, with a local filmmaking community that is committed to telling locally driven stories, such as *Fruitvale Station*, *Sorry to Bother You*, and *Fremont*.

Despite the fact that projects originate in Oakland and are often set locally, there are challenges for filmmakers who want to carry out the production in Oakland. A growing number of productions that are set in Oakland are filmed elsewhere (in most cases outside of California) for cost reasons.

The key findings are as follows:

- Oakland is a high-cost market for production. This is a combination of the general high cost of living in the Bay Area, and the high industry costs (e.g. equipment rental) due to its relatively small size.
- While the state incentive is relatively competitive for approved productions and contains several benefits for filming and hiring outside of Los Angeles, it is massively oversubscribed and only a small fraction of applications are approved. Because of the availability of incentives in other states, rejected productions move out of California to take advantage of incentives and bring down their overall cost.
- A new incentive in Oakland would aim to encourage productions to film in the city. Three priority categories of productions have been identified as potential targets for the incentive:
  1. Mid- to large-budget projects with strong creative reasons to film in Oakland, that without the incentive would film elsewhere.
  2. Independent projects led by emerging local filmmaking talent, that would struggle to come to fruition without the incentive.
  3. Larger California-based projects that may decide to film in Oakland (as opposed to other Californian locations) if there is an incentive to do so.
- In this sense, the purpose of incentive would be to positively impact and support these types of projects (which, crucially, all have a desire to film in Oakland or California for creative reasons) – not to make Oakland the most cost-competitive location in the US or globally.
- Because California has a state tax credit, Oakland’s incentive should (as in other states) practically function as a top-up to the state incentive. While this means the incentive inherits the

instability of California's state tax credit, it is not realistic to expect the City of Oakland to fund an incentive that competes with other US states.

- For smaller projects, the incentive could be a vital source of funding which allows them to stay in Oakland. For larger projects, the proposed incentive may not have a huge impact on their budget, but the research for this Study suggests the incentive would nonetheless put Oakland on the map within the industry and give local producers (or potentially a fully resourced film commission) something they can market to decision-makers at the major production houses.
- The incentive would aim to attract local investment and create general employment but would also encourage beneficiaries to hire local creative and technical talent, promote Oakland on-screen, and provide data which allows for deeper industry analysis.

### **1.2.2. Analysis of Comparable City and Regional Incentives**

Within California, several cities offer incentives to attract productions. The incentives in California are typically waivers of city fees, such as permitting costs. While these programs rarely make a difference for large projects, waiver-style incentives like San Francisco's (which offers up to \$600,000 in waived city fees) can influence decisions for smaller productions.

Outside of California, several cities across the US offer incentives. The incentives are offered in jurisdictions with similarities to Oakland and aim to mitigate the higher cost of producing outside of a major production center.

As with California, they generally act as top ups to the state incentive (e.g. Savannah's incentive in Georgia, or San Antonio's in Texas) and only in combination do they attract large projects. Overall, the analysis of comparable markets points to a need for an Oakland incentive to work in combination with California's state incentive.

### **1.2.3. Potential Economic Benefits of an Oakland Incentive**

The principal objective of all incentives is to attract expenditure, and an important part of maintaining an incentive is both to measure the expenditure it generates, as well as the broad economic impact of this expenditure.

While SPI has not undertaken specific economic impact projections for this Study, the incentive would aim to deliver a range of benefits:

- As noted above, the key measure for any incentive system is the expenditure generated by the system. Film and television production can deliver substantial investment in a jurisdiction in a short space of time – SPI analysis of an example major feature film shows an average of \$9.9 million in weekly expenditure during its 16-week shoot, as well as substantial expenditure during both the prep and post phases.
- 'Additionality' is the term used to describe expenditure that would either have been undertaken elsewhere, or not at all. For example, a production destined for Oakland may – without state or city incentives – either film in another US state or simply not be made. In the UK, for example, 91% of film production expenditure between 2017-19 was determined to be 'additional'.<sup>1</sup>

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<sup>1</sup> [Screen Business](#), Olsberg•SPI with Nordicity for the British Film Institute. December 2021.

- Gross Value Added (GVA) is a measure of the value that is created by economic activity. It is the difference between gross output and intermediate inputs and broadly equivalent to profits plus wages; at a national level, it aligns to Gross Domestic Product (GDP). Often, it is expressed as a return-on-investment figure – GVA or overall economic RoI. An evaluation by SPI of Illinois’ film tax credit, for example, found an overall economic RoI of 6.81, meaning that for every \$1 invested through the program, \$6.81 is generated in terms of additional economic value from direct, indirect, and induced effects.<sup>2</sup>
- Expenditure through incentives also positively impacts employment, typically measured as Full Time Equivalents (FTEs).
- In terms of micro-impacts, productions typically have a “ripple” effect, where expenditure flows outside of the film and television sector and into other sectors, such as hospitality, real estate, and travel businesses.
- Finally, while production predominantly occurs within large production hubs the supply chain for this production can often cover a broader area. A key objective of an Oakland incentive would be to encourage regional development in California, where the industry is concentrated in Los Angeles.

### 1.3. Summary of Incentive Recommendation

A summary of the Incentive Recommendation is provided below. Further detail for each element, including the rationale behind the recommendation, is in Section 3 of this report.

#### Summary of Incentive Recommendation

Type of Incentive	Cash rebate
Qualifying Expenditure	Wages for services performed by employees living and working in City of Oakland, during the applicable period relating to original production or post-production in the City of Oakland.  Non-wage expenditures for items purchased and / or rented in, and totally consumed in the City of Oakland.
Incentive Rate	10%
Uplifts	Additional 2.5% if production crew are more than 50% Alameda County Resident
Annual Cap or Program Cap	Determined by the City of Oakland on a quarterly or annual basis, based on applications (no fixed cap)  <u>or</u> if a cap is required  \$3 million for first three years of operation.
Per-Project Cap	\$300,000 basic per-project cap, or \$600,000 for productions eligible to receive the workforce uplift
Minimum Expenditure Threshold	\$500,000 minimum Oakland qualifying expenditure
Marketing and Promotion	On-screen credit requirement (text and logo).  Productions to provide high resolution publicity stills (including behind-the-scenes images), artwork / poster, and press kit (e.g. clips, trailers) cleared for promotional use by the City of Oakland.
Skills and Training	Productions to agree a bespoke skills plan with the Oakland Film Office, based on high-level guidelines.

<sup>2</sup> [Economic impact of the Illinois Film Production Services Tax Credit](#), Olsberg•SPI for Illinois Production Alliance. 19<sup>th</sup> December 2023.



## 2. KEY FINDINGS

This chapter presents the key themes arising from research to date, including consultations.

### 2.1. Oakland's Film and Television Production Sector

Oakland has a strong reputation as a creative center for film and television, with a large local filmmaking community that has found both commercial success and critical acclaim through locally driven stories, such as *Fruitvale Station*, *Sorry to Bother You*, and *Fremont*. This has a strong effect on the number of productions which originate in Oakland, but in many cases the local industry is required to produce in other markets – primarily due to the lack of available incentives in California and Oakland.

The analysis of Oakland's film and television sector focused on four key technical areas which, in addition to the provision of incentives (covered separately – see both Sections 2.2 and 5.1), comprise the main factors for producers when considering different production markets.

#### 2.1.1. Workforce

The availability of high-quality workforce is a major draw for any location, both for obvious quality reasons, but also for cost benefits. Productions incur significant additional costs on travel and accommodation for non-resident crew, so for this reason productions will typically want to hire as much as possible locally.

Film and television productions can generally source high-quality crew for Oakland productions both from Oakland and from the wider Bay Area. It is important to note that crew considered to be part of the "Oakland" industry do not necessarily live within the city limits.

Except during exceptional circumstances, such as the boom in production following the lifting of Covid-19 restrictions, crew capacity is not seen by industry as a major capacity constraint. However, some

senior production roles, such as local line producers, are in relatively short supply in the Bay Area.

There is a strong desire from industry for there to be more training opportunities aimed at Oakland residents. In addition, crew from Oakland who work in production will move to Los Angeles or other parts of the US. These crew would in some cases like to return to Oakland.

#### 2.1.2. Infrastructure

Infrastructure can be a major draw for certain productions: almost every film or series production will require some form of indoor shooting space, but many productions will base (i.e. headquarter the production) in one location but undertake part of the filming, or post-production elsewhere.

The lack of sufficient infrastructure (particularly studios and sound stages) was raised as a major inhibition to attracting higher-end productions to Oakland, and the Bay Area more generally. However, the presence of a studio facility (in the absence of local incentives, promotion, and so on) is unlikely to draw major productions to headquarter in Oakland.

While there are converted spaces in use (for example, facilities on Mare Island in Vallejo, and Treasure Island in San Francisco – as well as smaller conversion facilities nearer to Oakland) these facilities face competing demand from different industries and only work for certain types of productions.

#### 2.1.3. Equipment

The availability of equipment is a key issue for Oakland and the Bay Area industry, particular as it relates to the overall cost of filming. While some equipment is available locally, there are no high-end rental houses locally. Equipment often has to be driven up from Los Angeles, adding significant cost to the production.

This was noted across consultations as an issue for Oakland (and the wider Bay Area). There may be options for public authorities to invest in equipment for smaller productions, however the specific equipment needs of larger productions can be difficult to anticipate. Higher production levels in Oakland would likely result in large equipment vendors opening local branches.

#### **2.1.4. Marketing and Promotion**

The presence of a local film office or film commission can significantly impact the awareness of Oakland among studios, producers and the wider industry. Oakland

Currently, the Oakland Film Office facilitates incoming and local productions by organizing permits, and assisting these productions as other challenges arise on an ad-hoc basis. It should be emphasized that the Oakland Film Office is highly regarded by industry for the quality of its support in this area.

Nonetheless, it has no outward-facing functions – e.g. it does not actively promote Oakland to producers, location managers, or other relevant targets. The presence of an incentive in Oakland would raise the city's profile on its own, but it should be considered whether an active marketing effort from an expanded Oakland Film Office could deliver even greater impact.

#### **2.2. Availability of Incentives**

Oakland does not have a dedicated film and television production incentive, and while this was raised as an issue by consultees, the

primary bottleneck for the industry (especially those working on larger projects) is California's state incentive.

California's state incentive is in fact relatively generous and makes a large positive financial impact for the projects that receive it. It is worth also noting that, for the projects that do gain access to the state tax credit, there are several in-built mechanisms that benefit Oakland:

- An additional 5% tax credit is available for expenditure outside of the Los Angeles Zone
- An additional 10% tax credit is available for expenditure on local hires outside of the Los Angeles Zone.

If California's production incentive were widely available, it would likely deliver real impacts for Oakland through these mechanisms. However, there is intense demand and only a fraction of applicants are ultimately approved. For example, in the most recent application round (February 2024) 59 projects applied and only 15 were approved.<sup>3</sup> In September 2023, 55 projects applied and only 16 were approved.<sup>4</sup> Competition is regarded as being even more intense for independent films, which have an annual allocation of \$26.4 million out of the total \$330 million available.

This creates a difficult position for any cities or regions within California that wish to offer an incentive: while it makes sense to tether city incentives to state programs and offer a "top up" to producers, this also means cities like Oakland inherit the higher-level issues with the state incentive.

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<sup>3</sup> California's Film & Television Tax Credit Program Attracts Biggest Blockbuster in Program History, Adding \$166 Million to State's Economy, California Film Commission. 26<sup>th</sup> February 2024. Accessible at: <https://film.ca.gov/californias-film-television-tax-credit-program-attracts-biggest-blockbuster-in-program-history-adding-166-million-to-states-economy/>

<sup>4</sup> California's Film & TV Tax Credit Program Welcomes Big-Budget Films and Diverse Roster of Indies, California Film Commission. 8<sup>th</sup> September 2023. Accessible at: <https://film.ca.gov/californias-film-tv-tax-credit-program-welcomes-big-budget-films-and-diverse-roster-of-indies/>

### 2.3. Competition with Other US States and Global Markets

There is intense competition across the US, and globally, to attract production investment.

While to some degree Oakland competes with Los Angeles for projects, the projects that do not receive approval for the California incentive generally leave California entirely and look to other production markets. Anecdotally, the cost of production is higher in Oakland than Los Angeles, however Oakland does not meaningfully lose production to other parts of California in the same way that the state loses production to other US or global markets.

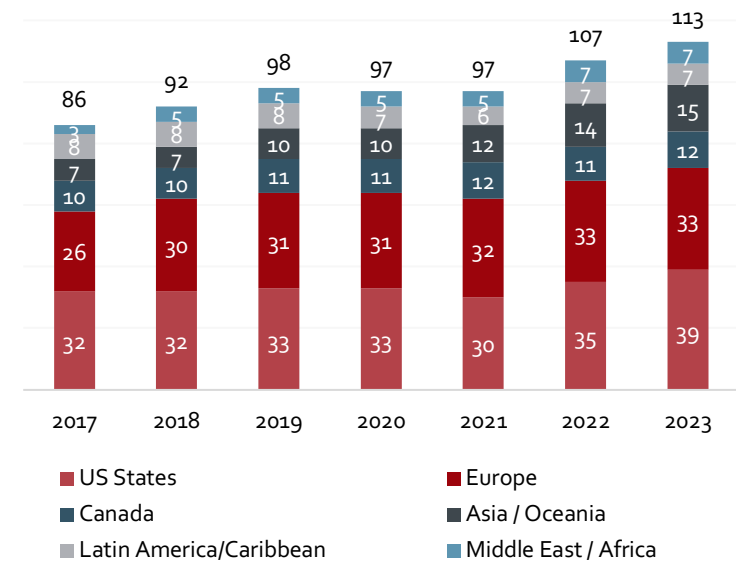
For example, several recent Bay Area or Oakland-set stories have been filmed in other production markets:

- *The Book of Jobs*, which is set in the Bay Area, filmed in Oklahoma.
- *Black Panther* is partly set in Oakland. While several exteriors were shot in the city, the film was primarily made in Georgia.
- *Clickbait* is set in the City of Oakland but filmed primarily in Australia.
- *I'm A Virgo* is set in Oakland but filmed primarily in New Orleans, Louisiana.

All four of the above markets (Oklahoma, Georgia, Australia, Louisiana) attracted Oakland-set productions, and were identified during the Study as competitors. These markets offer competitive incentives, high-quality crew, and in some cases infrastructure, all of which reduce the cost of production.

Nonetheless, while these are important markets, they are not the only markets which compete with Oakland. While the quality of crew and infrastructure varies greatly, Oakland (and California generally) competes with over 100 global markets which offer production incentives.

Figure 1 – Active Production Incentives by Global Region, 2017-2023



Source: Olsberg•SPI

### 3. INCENTIVE RECOMMENDATION

This section provides a full recommendation for an incentive for the City of Oakland, including guiding principles, information on key rules, soft incentives, and other considerations.

Summary of Incentive Recommendation	
Type of Incentive	Cash rebate
Qualifying Expenditure	<p>Wages for services performed by employees living and working in the City of Oakland, during the applicable period relating to original production or post-production in the City of Oakland.</p> <p>Non-wage expenditures for items purchased and / or rented in, and totally consumed in the City of Oakland.</p>
Incentive Rate	10%
Uplifts	Additional 2.5% if production crew are more than 50% Alameda County Resident
Per-Project Cap	\$300,000 basic per-project cap, or \$600,000 for productions eligible to receive the workforce uplift
Annual or Program Cap	<p>Determined by the City of Oakland on a quarterly or annual basis, based on applications (no fixed cap)</p> <p><u>or</u> if a cap is required</p> <p>\$3 million for first three years of operation.</p>
Minimum Expenditure Threshold	\$500,000 minimum Oakland qualifying expenditure
Marketing and Promotion	<p>On-screen credit requirement (text and logo).</p> <p>Productions to provide high resolution publicity stills (including behind-the-scenes images), artwork / poster, and press kit (e.g. clips, trailers) cleared for promotional use by the City of Oakland.</p>
Skills and Training	Productions to agree a bespoke skills plan with the Oakland Film Office, based on high-level guidelines.

#### 3.1. Guiding Principles

##### 3.1.1. Attracting Investment

The purpose of a production incentive is to attract valuable production investment. The core objective therefore is creating a system that is attractive to potential producers. At the same time, markets that offer incentives often include additional measures to encourage specific behavior or types of spend.

Finding a balance between these two sides (incentivizing and leveraging) is key to the operation of a successful incentive system.

##### 3.1.2. Oakland-Specific Principles

There are several guiding principles for a new Oakland production incentive:

- Three priority categories of productions have been identified as potential targets for the incentive:
  1. Projects with creative reasons to film in Oakland, that without the incentive would film elsewhere.
  2. Projects led by local filmmaking talent, that would struggle to come to fruition without the incentive.
  3. Larger California-based projects that may decide to film in Oakland (as opposed to other Californian locations) if there is an incentive to do so.
- In this sense, the incentive would not aim to make Oakland the most cost-competitive location in the US or globally but would make a difference for a select group of potential projects.
- Because California has a state tax credit, Oakland’s incentive should (as in other states) practically function as a top-up to the state incentive.
- The incentive would put Oakland on the map within the industry and give local producers (or potentially a fully resourced film commission) something they can market to decision-makers at studios.

- The incentive would aim to attract local investment and create employment but would also encourage beneficiaries to hire local creative and technical talent, promote Oakland on-screen, and provide data which allows for deeper industry analysis.
- In addition, a key objective embedded in the incentive would be to make Oakland a city in which filmmakers can live and work, both in the sense of retaining and repatriating creative talent.

### 3.2. Key Features

This sub-chapter describes the rationale behind the recommendations being made.

#### 3.2.1. Type of Incentive

**OPTIONS** Different models exist to support production, including cash rebate incentives, tax credits, discretionary funds, fee waivers, tax exemptions, and others.

**RECOMMENDATION** Cash rebate

**RATIONALE** The cash rebate model provides producers with a cash incentive which is calculated as a percentage of their local qualifying expenditure. Cash rebates offer a high degree of transparency for both producers and government. Producers can review the rules and regulations ahead of making an application and get a good sense of eligibility and the potential incentive amount.

#### 3.2.2. Qualifying Expenditure

**OPTIONS** Qualifying expenditure rules define the types of expenditure that qualify towards the incentive. The final incentive amount to producers would be the qualifying expenditure multiplied by the incentive rate.

**RECOMMENDATION** Wages for services performed by employees living and working in City of Oakland, during the applicable period relating to original production or post-production in the City of Oakland.

Non-wage expenditures for items purchased and / or rented in, and totally consumed in the City of Oakland.

**RATIONALE** The recommended qualifying expenditure rules mirror the language used for “Out of Zone” qualifying expenditure for the state film tax credit. Using the same, well-understood system makes it easier for producers to track eligible Oakland costs.

To assist producers, the incentive authority in Oakland should build a relevant local version of the California Film Commission’s *Qualified Expenditure Chart*<sup>5</sup> using the same expenditure categories. This would still allow Oakland to differ in its treatment of costs.

<sup>5</sup> Accessible at: <https://cdn.film.ca.gov/wp-content/uploads/2022/09/3.0-QEC-1.pdf>

The recommended qualifying expenditure is relatively limited in that it only applies to the City of Oakland. It may be preferable to widen the boundary to Alameda County – or potentially further – if this is an option for a city-funded incentive.

### 3.2.3. Incentive Rate

**OPTIONS** The incentive rate is a percentage that is applied to the qualifying expenditure to calculate the incentive amount, usually between 15%-40% for standalone state or country incentives.

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**RECOMMENDATION** 10% with uplifts (see Section 3.2.4)

**RATIONALE** A higher incentive rate is more attractive to producers, but increases the cost to government, so it is important to strike a sustainable balance.

The recommended incentive rate of 10% is low when compared to state-level incentives but reflects the presence of California’s state film tax credit, and the fact that an Oakland incentive, for many projects, would act as a top up to the state incentive.

Compared to other city incentives, the 10% rate is relatively generous – San Antonio, for example offers a 7.5% incentive. However, the proposed incentive has a relatively modest per-project cap (see Section 3.2.5) meaning that while the net incentive would be exactly 10% for small

projects, it would (as intended) be lower for large projects:

- For example, a project that incurs \$2 million in qualifying costs would receive (with the uplift in Section 3.2.4) an incentive worth \$250,000, or exactly 10% of their qualifying costs.
- However, a project that incurs \$10 million in qualifying expenditure would receive the capped \$600,000 incentive, or 6% of their eligible costs.

### 3.2.4. Uplifts

**OPTIONS** As incentives grow in usage by governments, targeted ‘uplifts’ have become more common to encourage specific production practices or to achieve strategic objectives. Uplifts provide additional incentive value (usually around 5-10%) for meeting specific criteria.

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**RECOMMENDATION** 2.5% up to an additional \$300,000 if production crew are more than 50% Alameda County Resident

**RATIONALE** Uplifts should be achievable for productions and provide value to a location in return for the increased incentive. Across the Oakland filmmaking community there is a strong desire for productions to employ (and build up) local talent, and this uplift would reward productions that do so.

**3.2.5. Per-Project Cap**

**OPTIONS** The per-project cap of an incentive is the maximum incentive available to any single project.

**RECOMMENDATION** \$300,000 basic per-project cap, or \$600,000 for productions eligible to receive the workforce uplift

**RATIONALE** Our research suggests that even a small incentive could have an outsized promotional / awareness impact for Oakland. Therefore the recommendation is for a relatively modest per-project cap that would provide a meaningful top-up for large projects, and a large boost for smaller projects.

The cap is modelled on other similar (city or regional) incentives across the US and is set at the same level as San Francisco. Although the proposed incentive is structured differently to San Francisco’s waiver system, at first glance this will show producers that Oakland’s incentive is (at least) on par with San Francisco.

**3.2.6. Annual or Program Cap**

**OPTIONS** The annual or program cap of an incentive sets a limit on the total amount of funding available in a given year, or across the lifespan of a program. Larger state incentives do not use annual or program caps. In other cases, incentive funding is requested (e.g. by the film office) each year based on the volume of applications.

**RECOMMENDATION** Determined by the City of Oakland on a quarterly or annual basis, based on applications (no fixed cap)  
or if a cap is required  
\$3 million for first three years of operation.

**RATIONALE** To ensure open access to the incentive for all productions which meet the eligibility criteria, it is recommended that it operate without a fixed annual cap.

The first recommendation above is informed by San Antonio, which determines a budget for the film incentive each year based on the volume of applications, and the amount requested. This is not “uncapped” in the way that some state incentives are but offers flexibility for the city to respond to demand.

The City of Oakland may be required to set aside a fixed amount for the incentive. If this is the case, a three-year cap of \$3 million (second recommendation above) is recommended to start the incentive. This allows for the high year-on-year fluctuation which is typical of new incentives. If in this period there is a risk of funding being exhausted, the City of Oakland should consider appropriating additional funding to the incentive to meet demand.

**3.2.7. Minimum Expenditure Threshold**

**OPTIONS** Incentives often include a minimum spend threshold for eligibility, meaning only projects



that incur a certain amount of qualifying expenditure are eligible.

**RECOMMENDATION** \$500,000 minimum Oakland qualifying expenditure

**RATIONALE** There are two primary options for minimum spend thresholds:

- A low minimum spend threshold allows all projects – except the very smallest – to access the incentive. A low minimum expenditure ensures the incentive is effectively open-to-all, but should still filter out projects which would not be worth the administrative resource.
- A high minimum spend threshold can be used in an established production location to encourage larger projects.

Although Oakland has an established industry, the incentive should aim to (at least in part) support independent local projects. Therefore the recommendation is for a relatively modest threshold that still ensures projects reach a certain scale in order to be eligible.

For smaller projects, other forms of funding (such as selective grants) may be more relevant.

**3.2.8. Marketing and Promotion**

**OPTIONS** Incentives often require productions to include a ‘screen credit’ that acknowledges (in the end credits, along with other organizations which

have contributed to the production) the relevant incentive agency or screen office for the financial support.

The incentive agency may also request marketing materials (cleared for promotional use) from the production.

**RECOMMENDATION** On-screen credit requirement (text and logo).

After production, production to provide:

- High resolution publicity stills (including behind-the-scenes images)
- Artwork / posters
- Press kit (e.g. clips, trailers) cleared for promotional use by the City of Oakland.

**RATIONALE** The recommendation is for a relatively standard set of marketing deliverables, similar to other incentives. Applicants will generally expect to provide these deliverables as part of receiving incentives, and they can be used to promote the City of Oakland as a filming location.

**3.2.9. Skills and Training**

**OPTIONS** Incentives can require productions to undertake certain training-related activities as part of receiving the incentive. These could include requirements to hire a certain number of local trainees or to participate in local workshops or masterclasses, or in some cases, to provide a bespoke skills plan.



**RECOMMENDATION** Productions to agree a bespoke skills plan with the Oakland Film Office, based on high-level guidelines.

**RATIONALE** Generally, any training requirements associated with incentives should be reasonable and achievable, so as not to discourage productions.

While there is a case to be made for having strict rules (e.g. hire two trainees), productions will vary in size and will have different abilities to undertake local training activities.

The bespoke approach allows the Oakland Film Office and individual productions to collaborate on a realistic, actionable plan for workforce development. In addition, the incentive authority / Oakland Film Office should provide productions with a document outlining general principles.

Areas of focus could include:

- Providing opportunities for new entrants into the industry
- Offering placements for trainees
- Taking an active role in upskilling existing workforce
- Providing members of the production with mentoring
- Above-the-line skills development
- Promotion of industry careers to students
- Working with schools, universities, or other educational institutions.

### 3.3. Soft Incentives

In addition to the core recommendation above for a cash rebate incentive, Oakland should match other cities and counties in California by waiving permitting charges and other city fees. Following the model in other parts of the state and given that this recommendation is intended to work alongside the cash rebate proposal above, the waiver should be capped at \$50,000 per project.

While these incentives can assist in attracting larger projects, they are particularly valuable for smaller productions. In many cases smaller projects can utilize these support mechanisms to not only cover permitting charges, but also other city fees including (but not limited to) production office spaces, public transport, police, traffic control, and other elements of the production.

The approach qualifying charges and fees should be consistent with San Francisco, and include:

- Any taxes, with the exception of hotel or sales taxes, paid to the City of Oakland, or any of its constituent departments
- Any moneys paid to the City of Oakland, or any of its constituent departments, for the use of City property, equipment, or employees
- Any moneys paid to the City of Oakland, or any of its constituent departments, for the use of property leased by the City of Oakland
- Any daily use fees charged by the Oakland Film Office to engage in film production in the City
- Police services, provided that such services do not exceed four police officers per day for a total of 12 hours maximum per day per officer.

### **3.4. Additional Options and Commentary**

#### **3.4.1. Application and Payment Process Speed**

In addition to the recommendations above, the process speed of for reviewing application and making payment critical to the success of an incentive.

Fast-track processing and disbursement of incentives ensures that eligible productions can progress without additional delays, reducing risk for producers. This is especially important with the rising cost of money internationally. Generally, an incentive has two application processes that are relevant here:

- Before production begins, an application is made to determine eligibility and gain approval in principle for funding. The incentive authority reviews key information about the project, including a budget estimate. This review process should take no more than 30 days.
- After production, an application for payment is made. The applicant provides the final budget and evidence of expenses (often audited by a 3<sup>rd</sup> party), which the incentive authority reviews before approving payment. This review process should again take no more than 30 days, and the subsequent payment process should take no more than 60 days (90 days total).

An advance payment or instalment option was considered as part of this Study. While it would benefit smaller productions, it would require the City of Oakland to take on significant risk in the process. For large studio productions, while advance payment can assist with cashflow, there is usually no benefit from a financing perspective.

#### **3.4.2. Using an Incentive to Market Oakland**

There is a tangible marketing impact that comes with having an incentive. Sacramento has a small grant system, which is unlikely to move the needle for large projects. However, in research for the Study

it is clear that producers are aware of the program, and it has helped to put Sacramento on the industry map.

Oakland could benefit in the same way from a modest incentive – even if it cannot offer a meaningful incentive (in financial terms) for large productions, its presence alone may help to raise awareness of Oakland as somewhere looking to attract production investment.

#### **3.4.3. Incentive Jurisdiction**

Although Oakland acts as a major center for the local filmmaking community, the local industry is spread out across the Bay Area. Producers source crew and equipment across the Bay Area, and most “Oakland” productions film at least in part outside of the city limits.

Depending on the availability of county or regional funds, there is a case to be made for expanding the applicable jurisdiction for the incentive, so that it better matches the needs of industry.

#### **3.4.4. Qualifying Expenditure Rules, and Consideration of the “Effective Rate”**

A key element of efficient incentive design is specifying the qualifying expenditure for an incentive system – i.e., the types of costs incurred by the production that are eligible for an incentive.

For example, a production may decide to shoot in a jurisdiction offering an incentive worth 20% of qualifying expenditure. The production incurs \$10 million in total expenditure, but half of these costs are non-qualifying due to the incentive regulations, so the production’s qualifying expenditure is \$5 million. In this case, the final cash rebate would amount to \$1 million, or 10% of the total production costs.

While many governments are focused on advertising a high headline rate, decision-makers at major global production companies are equally aware of the effective rate of incentives, i.e., the value to the project after the incentive rules are considered.

**3.4.5. Showcasing "Oakland as Oakland" on Screen**

Across the industry there is a desire for any Oakland incentive to support projects which showcase the city on screen. While the incentive could include a requirement to this effect (i.e. the incentive would only be available to projects which directly feature Oakland as Oakland on screen), there is potential for such a rule to have unintended consequences and discourage otherwise-valuable productions from filming in Oakland.

#### 4. DATA COLLECTION

For any production incentive system, it is crucial that the managing entity both requests data from productions, and compiles it in a useful way to gain insight into the industry.

##### 4.1. Collecting Data

Applicants submit information to an incentive authority generally at two stages. First, before production starts, the applicant submits an initial application to confirm eligibility for the incentive. Once production is finished and the qualifying expenditure has been incurred, a final application is submitted to request payment.

At both stages, the incentive authority is able to request data from the applicant. Some data will be necessary to confirm basic eligibility for the incentive, and to calculate the incentive amount. Other data are not strictly related to the operation of the incentive but allow the incentive authority to gain deeper insight into the industry – for research uses, general monitoring, evaluations, or to inform policy changes, for example.

Please note that while all incentives require the production to submit data on the production – e.g. expenditure, call sheets, CVs, audit confirmation – for evidence purposes, these are often not provided in a standardized format. The recommended data request below should be provided to the relevant authority in a standardized format, ideally within the application form. This will allow for easier aggregation and comparison of the data provided.

##### 4.1.1. Standard Data Request

As a minimum, the incentive should request or track the following information for each production receiving the incentive. For the initial application, expenditure figures will be provided as estimates:

- Name of production
- Name and address of production company

- Type of production (e.g. feature film, TV series, documentary)
- Total expenditure in Oakland
- Qualifying expenditure in Oakland
- Total payroll expenditure
- Total vendor expenditure
- Date of application
- Incentive awarded / paid.

##### 4.1.2. Expanded Data Request

The following are examples of optional data that an incentive authority could request from applicants:

- Start date of production – i.e. start date of principal photography, or equivalent for post-production / animation
- Breakdown of expenditure between different categories of vendor (e.g. vehicles and transport, accommodation and food, rental and equipment, locations, construction, wardrobe and hair/makeup)
- A list of each vendor (or local vendor) used by the production, each including the address of the vendor, and the total amount of expenditure incurred
- Headcount, including a breakdown of cast, creative team, crew, and extras
- Residency of cast, creative team, and crew
- Payroll split by residency (in this case, Oakland resident or non-resident)
- Total number of hours worked by resident cast and crew
- Any data related to specific nature of incentive (e.g., expenditure in different parts of country, number of cast and crew from particular demographics or from areas of high unemployment).

Given that the California Film Commission requires the production to provide filming days and headcount figures (along with the expenditure

data in 4.1.1) it should be feasible to request Oakland-specific versions of these figures.

## 5. ANALYSIS OF COMPARABLE MARKETS

As part of the Study, a range of comparable markets with city-level or region-level incentives were analyzed. The key findings from this analysis are as follows:

- Within California, several cities offer incentives to attract productions.
  - Outside of a small grant program in Sacramento, and a proposal to introduce a significant incentive in San Diego (through the state legislature), the incentives in California are typically waivers of city fees, such as permitting costs.
  - For large productions, these programs rarely move the needle, but for small projects, waiver-style incentives like San Francisco’s (which offers up to \$600,000 in waived city fees) can make a difference.
- Outside of California, several cities across the US offer incentives. They generally act as top ups to the state incentive (e.g. Savannah’s incentive in Georgia, or San Antonio’s in Texas) and only in combination do they attract large projects.
  - In Florida, the lack of a state incentive has led Fort Lauderdale to implement a small program of its own, but its small size means it cannot compete with most state offerings.
- The top-up incentives are offered in jurisdictions with similarities to Oakland and aim to mitigate the higher cost of producing outside of a major production center. For example, the Savannah program aims to offset the higher cost of producing in Georgia outside of Atlanta, the main industry hub.

### 5.1. City and Regional Incentives in California

#### 5.1.1. Sacramento

Sacramento Film + Media Grant Program	
Type of Incentive	Grant
Details	Total of eight grants, six US\$10,000 grants for production and two US\$5,000 grants for post-production.
Annual or Program Cap	\$70,000
Funding Source	Office of Arts and Culture

The city of Sacramento introduced the grant program, The Sacramento Film + Media Grant Program, in 2020 with the purpose of growing and sustaining film and television production in the City of Sacramento. The grant sits under the Film Sacramento, and aims to subsidize permit fees, reduce the costs of safety personnel, and reimbursing qualified expenditure for activities that occur in the city of Sacramento. The grant is split into two programs, one for production, which awards up to six US\$10,000 grants per year and two \$5,000 grants targeted for post-production.

#### 5.1.2. San Diego (Proposed – Not Active)

San Diego Regional Film Financial Incentive Pilot Program	
Type of Incentive	Cash Rebate
Details	30% on qualified expenditure, up to unknown amount per project.
Annual or Program Cap	US\$25 million over the course of three years to the end of 2028
Funding Source	County of San Diego

San Diego does not offer an incentive at time of writing however in 2023 legislators proposed an incentive for lower-budget productions in San

Diego. The bill died earlier in 2024 so there is no active proposal to introduce this incentive.

The bill would have established the San Diego Regional Film Financial Incentive Pilot Program, offering a cash rebate to productions with budgets between \$150,000 and \$999,999. The rebate would have been worth 30% of San Diego County qualifying expenditures and 20% of non-San Diego qualifying expenditures. Only productions which spend at least 70% of their budget on San Diego resident laborers, retailers, or suppliers would have qualified. The proposed budget for the program was US\$25 million over the course of three years to the end of 2028.

It is notable that the proposed bill would have appropriated state funds to the County of San Diego for the incentive – i.e. it would not have drawn on local funds.

**5.1.3. San Francisco**

San Francisco Film and Television Rebate Program	
Type of Incentive	Cash Rebate
Details	Rebate up to US\$600,000 per project cap for qualified expenditures
Annual or Program Cap	The program overall is capped at \$13 million until it sunsets (in June 2028).
Funding Source	The incentive is “funded” through forfeited city department revenue. <sup>6</sup>

The city of San Francisco introduced the cash rebate, The San Francisco Film and Television Rebate program in 2015, and lasts until 2028. The rebate sits under FilmSF. Productions, including features, television series or independent productions qualify for the rebate and may

<sup>6</sup> Participating city departments include Port, San Francisco Police Department, San Francisco Fire Department, San Francisco Municipal

receive up to US\$600,000 for any qualified expenditure that was made while shooting in San Francisco.

**Effective value:** The Sacramento incentive can be combined with California’s 20%-25% state tax credit.

**5.2. Comparable City and Regional Incentives Outside of California**

**5.2.1. San Antonio**

Supplemental San Antonio Film Incentive Program	
Type of Incentive	Cash Rebate
Details	7.5% on qualified expenditure, up to \$250,000 per project
Annual or Program Cap	Determined by the City of San Antonio on an annual basis, based on applications. \$472,000 was approved for 2024 fiscal year.
Funding Source	Community and Visitor Facilities Fund

The supplemental San Antonio Film Incentive Program was founded in 2017 and renewed in 2022. The bill awards 7.5% of approved San Antonio spending, with a maximum award for US\$250,000 per project. In order to qualify, 60% of the project’s production days must take place in the greater San Antonio Metro Area, along with a minimum spend of US\$100,000 in San Antonio.

**Effective value:** The San Antonio incentive can be combined with Texas’ 5%-22.5% rebate.

Transportation Agency, Public Works, Treasure Island, and Recreation and Parks.

### 5.2.2. Fort Lauderdale, Florida

Film and Television Incentive Program	
Type of Incentive	Rebate
Details	15% on qualified expenditure, up to \$100,000 per project
Annual or Program Cap	Not stated – eligibility assessed on a case-by-case basis.
Funding Source	Broward County Board of County Commissioners

Fort Lauderdale introduced their incentive in 2021, offering 15%, up to a maximum incentive of US\$175,000 per production project. Productions are required to have a minimum qualified spend of \$400,000 in Broward County, have 60% of production days be based in Broward County and 55% of the main cast/crew must be from Broward County, Miami-Dade County or Palm Beach County. The incentive sits under Film Lauderdale and does not have an annual cap.

**Effective value:** Florida does not have a state incentive, so the 15% offered in Fort Lauderdale should be considered a standalone incentive.

### 5.2.3. Savannah

Savannah Entertainment Production Incentive	
Type of Incentive	Rebate
Details	10% on qualified expenditure in Chatham County, up to \$100,000 per film or \$250,000 per series
Annual or Program Cap	\$1 million

<sup>7</sup> [Economic Impact Study of Georgia’s Entertainment Industry Tax Credit](#), Olsberg•SPI for Georgia Screen Entertainment Coalition. 6<sup>th</sup> November 2023.

Funding Source	Savannah Economic Development Authority
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Savannah introduced the incentive in 2015, offering a 10% rebate, up to \$100,000 per project for feature films and pilots, and up to \$250,000 per calendar year on series. Productions requirements include a minimum of \$500,000 spend in Chatham County, and 50% of filming days need to be within 60 miles of the City Hall of Savannah. The rebate sits under Film Savannah and is funded by the Savannah Economic Development

Authority with a \$3 million budget from 1<sup>st</sup> January 2022 to 31<sup>st</sup> December 2024.

**Effective value:** Savannah’s 10% incentive can be combined with Georgia’s 20%-30% state tax credit.

**IMPACT CASE STUDY – Savannah, Georgia**

**Incentive** – In 2015, the Savannah Regional Film Commission established the Savannah Entertainment Production Incentive (detailed in Section 5.2.3 above) to encourage film and television production in Chatham County (the county in which Savannah is located). The incentive is worth 10% on qualified expenditure in Chatham County, up to \$100,000 per film or \$250,000 per series, and can be used in combination with Georgia’s 20%-30% state film tax credit.

**Expenditure** – In 2022, nearly \$207 million in expenditure was incurred in Savannah across 101 productions.<sup>7</sup> This was up from \$125.6 million in 2019 and \$59 million in 2015 – or a 3.5x increase in seven years of the incentive being operational.<sup>8</sup>

<sup>8</sup> [Entertainment Production industry generates \\$125.6 million in direct spend in Savannah region in 2019](#), Savannah Economic Development Authority. 2020.



**Workforce** – The Savannah Regional Film Commission has reported strong growth in its production workforce. With a small local crew base when the incentive was introduced, Savannah is now home to more than 300 unionized crew members and over 600 total crew members.<sup>9</sup>

**Infrastructure** – The incentive has spurred investment in regional infrastructure. Savannah Film Studios, part of the Savannah College of Art and Design, has been significantly expanded, and as of 2021 offers an advanced mixed-reality LED volume stage

can be used on its own or can be used in conjunction with the state of Oklahoma’s incentive program.

**Effective value:** The Cherokee Nation Film Incentive is effectively a standalone incentive although costs incurred in Oklahoma may be eligible for the state’s 20%-30% incentive.

**5.2.4. Cherokee Nation**

Cherokee Nation Film Incentive	
Type of Incentive	Rebate
Details	10%-25% rebate on Above and Below the Line wages,
Annual or Program Cap	\$1 million
Funding Source	Cherokee Nation Businesses

The Cherokee Nation incentive was founded in 2021, offering between 10-25% on wages of above- and below-the-line residents, and 20% rebate on qualified expenditure that has been incurred within the boundaries of the Cherokee Nation. Productions must spend a minimum of \$50,000 in total Oklahoma spend with \$25,000 of the total spend within Cherokee Nation. The Cherokee National Film Incentive is capped at \$1 million annually, with no per-project caps. The incentive

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<sup>9</sup> Based on crew listed in the Savannah Regional Film Commission’s crew database with at least one production credit. *Ibid*, Olsberg•SPI for Georgia Screen Entertainment Coalition. 6<sup>th</sup> November 2023.

## 6. THE ECONOMIC IMPACT OF INCENTIVES

- This chapter provides examples of economic impact in comparable markets to Oakland.

### 6.1. Assessing the Economic Impact of Incentives

- Recent growth in film and television production globally has led to increased understanding by policymakers and others of the economic impact of the production expenditure it generates.
- The principal objective of all incentives is to attract expenditure, and an important part of maintaining an incentive is both to measure the expenditure it generates, as well as the broad economic impact of this expenditure.
- The impact is typically measured in terms of economic metrics such as Gross Value Added (GVA) and jobs but can also be assessed in terms of (among others) the quality of jobs, expenditure in other industries, and regional development.
- It should be noted that is debate in the United States as to the best measures for assessing incentive (and the validity of assessing broad economic impact), most recently covered in *The New York Times*.<sup>10</sup>
- For example, in some cases, economic impact is more conservatively assessed, only taking into account the additional tax revenues generated by production – and setting this against the government outlay to reach a Return on Investment (RoI) figure.

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<sup>10</sup> [States Have Spent \\$25 Billion to Woo Hollywood. Is It Worth It?](#), *The New York Times*. 21<sup>st</sup> March 2024.

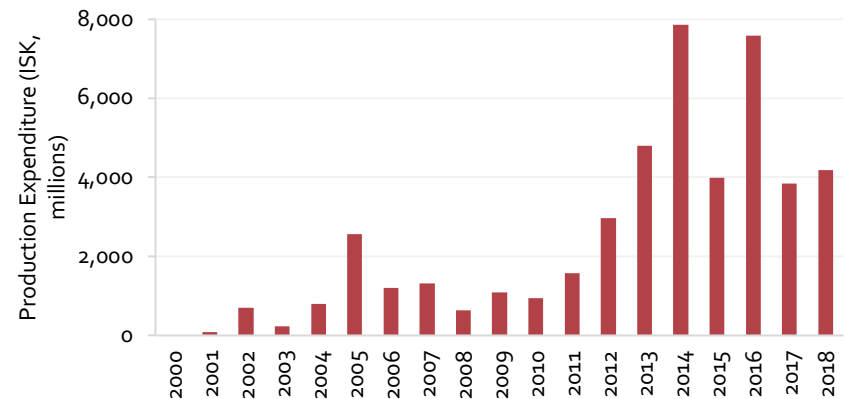
## 6.2. Key Measures

### 6.2.1. Production Expenditure

The key measure for any incentive system is the expenditure generated by the system. Film and television productions generate large amounts of expenditure, and the purpose of a financial incentive is to attract this expenditure – which, in the absence of an incentive, may have been undertaken elsewhere or not at all.

For example, the introduction of an incentive in Iceland in 1999 (and subsequent improvements to the system in 2009, 2017, and most recently in 2022) delivered increased investment to the country over the course of many years. In 2023 (not covered in the chart below due to data gaps), productions spent a ISK11.2 billion (\$80 million) in Iceland – the highest year on record.

**Figure 2 – Production Expenditure in Iceland, 2000-2018**



Source: Olsberg•SPI / Icelandic Film Centre. Estimated based on incentive payments.

### 6.2.2. Additionality

'Additionality' is the term used to describe expenditure that would either have been undertaken elsewhere, or not at all. For example, a production destined for Oakland may – without state or city incentives – either film in another US state or simply not be made.

The following examples illustrate the additionality impact in different markets:

- In Georgia, a recent report by SPI found that less than 8% of Georgia's production activity would have occurred without the film tax credit – or an additionality rate of around 92%.
- In New Mexico, an evaluation showed that for 92% of productions taking place in the state, the incentive was the most important factor identified by decision-makers when choosing where to produce the film and television projects and only 8% of total productions would have taken place in New Mexico without the state's tax credit.<sup>11</sup>
- In the UK, 91% of film production expenditure between 2017-19 was determined to be additional, as was 84% of high-end television expenditure in the same period.<sup>12</sup>

### 6.2.3. Gross Value Added

Gross Value Added (GVA) is a measure of the value that is created by economic activity. It is the difference between gross output and intermediate inputs and broadly equivalent to

profits plus wages; at a national level, it aligns to Gross Domestic Product (GDP). It is an important measure that is widely used by economic development agencies to understand the broader spending impacts of investment. Often, it is expressed as a return-on-investment figure – GVA or overall economic RoI:

- An evaluation by SPI of Illinois' film tax credit, for example, found an overall economic RoI of 6.81, meaning that for every \$1 invested through the program, \$6.81 is generated in terms of additional economic value from direct, indirect, and induced effects.<sup>13</sup>
- New Mexico's film tax credit delivered an GVA RoI of 8.4, showing that for every \$1 invested through the incentive program the state's economy benefitted by \$8.40.<sup>14</sup>

### 6.2.4. Employment

Employment estimates are another important measure of an incentive's economic contribution. Most productions hire a large number of freelancers over a relatively short timeframe (i.e. generally less than a year) so for the purposes of providing a useful measure, economic impact studies generally estimate Full Time Equivalent (FTE) employment.

- For example, an evaluation of Australia's Location Incentive found that between 2019 and 2021 (fiscal years), the incentive created an estimated 39,100 jobs equating to 27,800 FTEs.<sup>15</sup>

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<sup>11</sup> [SPI Economic Impact Study Finds New Mexico's Film Incentive Programme Delivers Strong Economic Benefits](#), Olsberg•SPI. 9<sup>th</sup> December 2021.

<sup>12</sup> [Screen Business](#), Olsberg•SPI with Nordicity for the British Film Institute. December 2021.

<sup>13</sup> [Economic impact of the Illinois Film Production Services Tax Credit](#), Olsberg•SPI for Illinois Production Alliance. 19<sup>th</sup> December 2023.

<sup>14</sup> Ibid

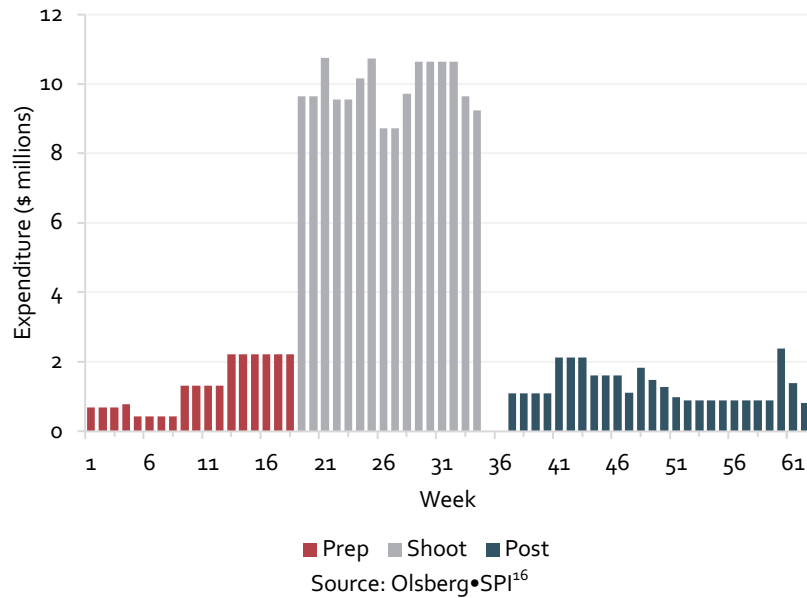
<sup>15</sup> [Economic assessment of the Location Incentive on Australia's screen sector](#), Bureau of Communications, Arts and Regional Research. February 2022.

### 6.3. Micro Impacts

#### 6.3.1. The Speed of Expenditure

Film and television production can deliver substantial investment in a jurisdiction in a short space of time. SPI analysis of an example major feature film shows an average of \$9.9 million in weekly expenditure during its 16-week shoot, as well as substantial expenditure during both the prep and post phases.

**Figure 3 – Weekly Expenditure of Major Feature Film (\$220 Million Budget)**



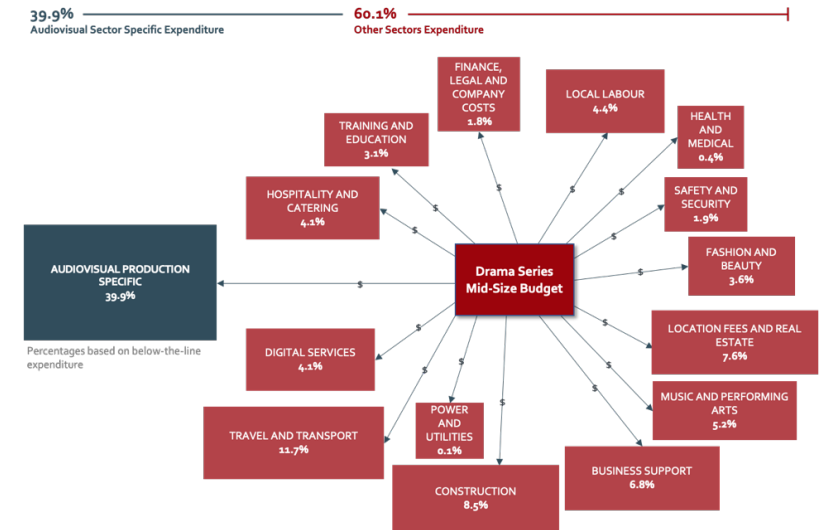
<sup>16</sup> [Global Screen Production – The Impact of Film and Television Production on Economic Recovery from COVID-19](#), Olsberg•SPI, 25<sup>th</sup> June 2020.

#### 6.3.2. "Ripple" Analysis

While some film and television production expenditure is specific to the sector – i.e. it flows to individuals and supplier companies which only work in film and television production, there is meaningful spend and further economic impact in other sectors, such as hospitality, real estate, and travel businesses.

Individual project budgets can be split by different business sectors to show the "ripple" of production expenditure through an economy – see below:

**Figure 4 – Example Ripple Analysis of a Drama Series, Mid-Size Budget**



<sup>17</sup> [Study on the Impact of Film and Television Production Incentives in Australia](#), Olsberg•SPI, February 2023.

An example ripple analysis (above) was conducted on an Australian high-end television series with a mid-sized budget.

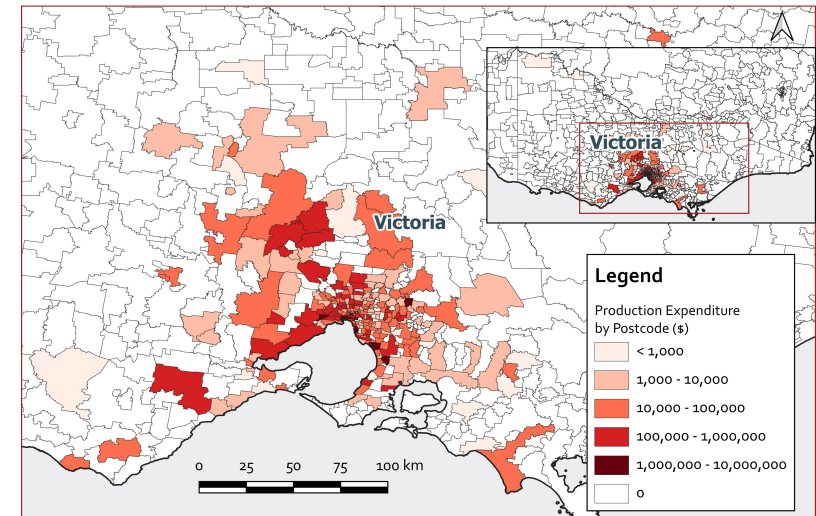
In this example, around 40% of production expenditure went towards film and television industry-specific businesses and service providers. The remaining 60% of the project's expenditure was spread across a range of other business sectors, including over 8% on construction, almost 12% on travel and transport, 4% on hospitality and catering costs, and almost 7% on business support services and resources.

### 6.3.3. Vendor Heatmaps

While production predominantly occurs within large production hubs (e.g. major cities with crew, studio infrastructure, equipment houses, and post-production facilities – such as Los Angeles), the supply chain for this production can often cover a broader area.

Vendor spend heatmaps show the location of vendors engaged by the production and visually represent the geographic spread of the supply chain. The following example shows the vendor spend of three productions which filmed in Melbourne, Australia.

Figure 5 – Example of Geographical Spread of Production Expenditure in Melbourne / Victoria, Australia<sup>18</sup>



Source: SPI analysis of three Australian drama series

### 6.4. Additional Impacts and Benefits

A thriving film and television can deliver the following benefits, in addition to those outlined above:

- **Infrastructure Investment:** Any production sector based on an incentive system regarded as being stable and permanent is likely to generate an increase in private sector infrastructure investment in the supply chain, such as production, postproduction and other digital facilities and services.

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<sup>18</sup> [Study on the Impact of Film and Television Production Incentives in Australia.](#)  
Ibid

- **Screen tourism:** tourist visit decisions are based on a variety of factors but experiencing a destination through a shared, filmed entertainment experience is one of the strongest. The positive impressions caused in audiences are deep (latent) and long-lasting and often repeated as the content is seen on streaming platforms or works its way along the typical distribution pattern.
- **Branding and “soft power”:** The same effects that are experienced by potential tourists about a destination are to be found also in the international business and trade community. When such individuals enjoy a story that is set in a particular country, the positive effect can influence their attitude towards future business visits as well as tourism visits.
  - This can assist in building export markets and inward investment and strengthen a country’s position as a hub for investment flows
  - In British Council report from 2014, it was noted that: A country’s power and influence is increasingly measured by its ability to inspire and attract citizens of other nations to take an interest in its national story, passions, and ultimately respect its values, ideas and aspirations.
- **Talent development and knowledge transfer:** The talent that works in screen production have flexible and growing career opportunities, at home and abroad. The talent pool has high level, adaptable and modern skills with an increasing focus on technical skills as well as traditional writing, directing, producing, performing and other vocational abilities. Working on high standard international projects delivers opportunities to build these skills.
- **Developing creativity and innovation:** The production process employs a large number of creative endeavours. In addition to the traditional areas, there continue to be huge developments in and opportunities for creativity and innovation in production and post-production, delivered through digital innovations of all types, in particular in visual effects and virtual production.
- **Enhancing media literacy:** Screen production has become a vital tool for education, communication and entertainment, now or soon to be possibly usurping the place held in education by the traditional written word.
  - Many education systems around the world are having their schools adapt curricula to include developing students’ digital capabilities.
- **Providing a heritage record:** Archived film material is a critical asset for any culture.
  - Through digital innovations, the archive sector is reinventing itself and gradually moving from a culture of preservation (and often this means restricting access) to one of increasing openness and new forms of exploitation and exposure.
- **Connecting with citizens and residents:** Any positive experience of watching screen content (discussed above in relation to tourism) can have a long-lasting and latent effect of positivity towards the culture and locations on show.
  - This positive effect also enhances the relationship with the region and culture which are on screen, producing ‘bonding’ effect among citizens (or residents) to a nation, region, or city, with added impacts on pride, loyalty and citizenship.

**Oakland Workforce Development Board  
2024 Meeting Calendar**

<b>Full Board Meeting</b>	<b>Thursday - February 1, 2024</b>
<b>Executive</b>	<b>Friday - March 15, 2024</b>
<b>Full Board Meeting</b>	<b>Thursday - May 2, 2024</b>
<b>Executive</b>	<b>Friday – June 21, 2024</b>
<b>Full Board Meeting</b>	<b>Thursday - August 1, 2024</b>
<b>Executive</b>	<b>Friday - September 20, 2024</b>
<b>Full Board Meeting</b>	<b>Thursday - November 7, 2024</b>
<b>Executive</b>	<b>Friday - December 20, 2024</b>

***DATES AND TIMES SUBJECT TO CHANGE***