

**Draft Minutes Meeting
Of Mayor's Economic Development Advisory Panel
Alameda City Hall, Conference Room 391
Wednesday, March 5, 2025**

1 CALL TO ORDER

Chair David Mik called the meeting to order at 6:05pm.

2 ROLL CALL

Present: David Mik, Becca Perata, Brock Grunt, Dr. Sharine Thenard, Eva Jennings, Madlen Saddik.

Absent: Gia Schneider, Adam Elsesser, Joe Ernst, Matt Kreutz, Mark Culyer

City Staff present: Abby Thorne-Lyman, Director of Base Reuse & Economic Development Department (BREDD) and Eric Fonstein, Development Manager

(Maurice Ramirez, contracted photographer for BREDD, also in attendance)

3 APPROVAL OF MINUTES

3-A Review and approved December 11, 2024 Draft EDAP Minutes

A motion was made to approve the minutes as presented by Dr. Thenard; and seconded by Madlen Saddik. The motion was approved 6-0.

4 ORAL COMMUNICATIONS - PUBLIC COMMENTS

None.

5 CONSENT CALENDAR

None

6 REGULAR AGENDA ITEMS

6-A Economic Development Activities Status Report

Presentation of the Updated Changes to the Economic Development Program in Alameda Moving Forward. – Eric Fonstein (for Dwayne Dahlman, Economic Development Manager, who could not attend the meeting)

With Dwayne Dahlman assuming the Economic Development Manager position six months ago, staff wanted to present to EDAP for comments its current priorities and initiatives for next six months and beyond.

The department has been involved with many different programs, including public art, guaranteed basic income, and special event grants programs.

Tonight's presentation will focus mainly on the department's core economic development activities:

- Storefront Vacancy Assistance Program,
- business attraction,
- business retention, and
- incorporation of new economic development technologies

Storefront Vacancy Assistance Program. Department has developed a database of vacant storefronts and categorized them in the following buckets, depending upon the level of opportunity and activity for the site:

1. "Active"—an identified tenant is about to move into the site.
2. "Work-in-progress"—awaiting permits or technical details to the occupancy.
3. "Project stalled"—due to some identified reason not actively being marketed.
4. "Unresponsive"—the property owner is non responsive to City's outreach efforts.

The City is mailing up to three letters to property owners to help facilitate occupancy. And, so far. The response to the first letter has been promising. The City will also be conducting monthly walkthroughs with the business districts to go store by store, talk about what's happening with each site. The economic development division has also been working very closely with the building code enforcement department to assist with code compliance.

- Panel member Thenard asked what period of time is there between when BREDD staff send the second and third letters to the property owner about store occupancy status? Ms. Thorne-Lyman said it's five to six weeks. Dr. Thenard also asked is there a target vacancy rate? How many storefront vacancies are we looking at? Mr. Fonstein said there isn't a particular number but there are certain blocks that we want to increase occupancy, particularly in the core areas of both Park and Webster Streets.

Ms. Thorne-Lyman said that our initial inventory showed Park Street had a vacancy rate of about five or six percent, which is very healthy. But the unusual thing BREDD found about Park Street versus Webster is that Park has about twice as much square footage as other commercial district in the East Bay. The vacancy rate is actually quite healthy, but it's about the key, highly visible blocks with some prominent vacancies.

- Panel member Grant asked what tools does the City have to force a change with a property? Mr. Fonstein said first, there's talking with them and seeing what the barriers are with the property. One tool may be possibly expanding the City's facade improvement grant program to include small scale design elements or code compliance that might be able to help fill the vacancy. The City might also be able to help with the marketing of properties, using a new Placer database provides market data, including where retail customers are coming from.

Ms. Thorne-Lyman said that the City's strategy won't bring much change as the City will not be considering a vacancy tax or something more punitive.

- Panel member Thenard asked what Webster Street's vacancy rate is? Ms. Thorne-Lyman said it's lower than Park Street; it also has smaller total square footage. But they have some high-profile vacancies in the gateway area.
- Panel member Saddik said that some tenants in a high-profile building on Webster St. had to move because the landlord wanted to increase the rent and they couldn't afford it. So they had to move away and apparently the landlord wouldn't lease until they had a certain threshold for pricing to lease. This may be the reason why there are several vacant properties.
- Panel member Thenard asked if there is a grant to attract a new potential tenant. Ms. Thorne-Lyman said there's several things, including repositioning the City's highly successful Facade Grant Program, to use the grant funding for small capital improvements projects that bring properties into code compliance. There are other ideas that the City has been exploring is like Crime Prevention through Environmental Design (CPTED) improvements where there are businesses concerned about crime. Also, the City will be facing some budget concerns, so it may be difficult to secure additional general fund dollars for these types of programs.
- Chairman Mik asked are there plans to do any improvements to Park and Webster: the physical infrastructure, sidewalks, parking, the streets themselves? Mr. Fonstein said some major improvements have been made in last couple of years, such as parklets, restriping of both streets, adding bike lanes, and creating loading zones for delivery services. Chairman Mik added that there's a periodic refresh of the physical environment, and in some places he is noticing sidewalks are getting larger to encourage more pedestrian traffic.

Mr. Fonstein said that one of the things that did come out of the pandemic was on Park Street where we closed off Alameda Avenue so now it creates a little bit more of that pedestrian friendly feel. It's still clearly a street, but it maybe as it at some point it may become a courtyard or something that's more looks more like a plaza as opposed to a street that was closed.

- Panel member Saddik inquired, what about the Parklets on Park Street? It's her understanding that some of the landlords are requesting the tenants remove the parklets before they renew their lease. Mr. Fonstein said the City's agreement is with the businesses and we don't know what the discussions are between the landlords and the tenants.

Status of Business Retention Efforts. City has a contract with Small Business Development Center (SBDC), which provides both individual counselling for businesses to help with cash flow projections, spreadsheets, marketing and also workshops for the

larger groups. The City has contracted to have a dedicated person from SBDC for the workshops that are tailored to Park and Webster Street's needs. Panel member Saddik said it's in partnership with the Alameda Chamber. The individual sessions are hosted every 1st and 3rd Tuesday from 12:00 to 4:00. Eight businesses come at 30-minute increments to have consultations about business plans, marketing plans, capital, etc.

- Panel member Jennings asked about survey fatigue with regards to SBDC and BREDD's surveys? Are they coordinated in any way? Panel member Saddik said yes, the Chamber is in contact with Mr. Dalman.

Chamber hosts sector-related round tables, such as quarterly "12 at 12 meetings" (twelve executives from a particular sector meeting at 12 noon) and business coalition meetings (such as coalitions for the Restaurants & Bars sector, and Alameda Point businesses, and businesses located at the Harbor Bay Business Park.

Updated Economic Development Technology. Mr. Fonstein said Customer Relationship Management Software (CRMS) will help the City's business outreach become more efficient by keeping track of communications, point of contact. Zoom Prospector is another technology that provides data on available properties and it's something we could embed into the Choose Out Here website.

- Chairman Mik asked how does the data get collected for Zoom Prospector? Panel member Saddik said Mr. Dahlman had proposed Zoom Prospector because of his previous experience with it. For example, it can track exactly how many people are going to a certain shopping center.

Wayfinding. The City proposes to have new and more formative signs at Alameda Point, which include branding elements. (It's been 10 years since the City has updated the signage at Alameda Point.) Ms. Thorne-Lyman mentioned that the current signs have been getting vandalized and stolen. Currently, the City is exploring alternatives and getting cost estimates. The City would like to create a better, more inviting gateway at Main Street.

Oakland Alameda Access Project (OAAP). Ms. Thorne-Lyman said OAAP is an Alameda County and Caltrans project. The City has been pushing for them to lead on the marketing and have a project website. The City be linking from its website to theirs. The City's website will focus on local business resources and supporting Alameda-based businesses. The project bid process seems to be delayed, but the start date has not changed from August 2025. The project is in a holding pattern until the contractor's brought on with an actual plan.

- Panel member Thenard asked what's being closed. Ms. Thorne-Lyman said they're closing the Webster Tube into Alameda and they're closing the right lane of that tube for five to eight months, and five months of that will overlap with the Posey Tube closure, which is the outbound leaving Alameda, for 12 to 18 months

closure. There will be a period of time when a lane of each tube is closed continuously 24/7.

- Mr. Ramirez asked if SF Bay Ferry will increase its service? Ms. Thorne-Lyman said the City is engaged with everybody to try to see if it can secure additional funding to support it. At the moment there's no additional funding to support any additional transportation choices. That's an active conversation with Alameda CTC. SF Bay Ferry does not have the capacity to run additional weekday ferry service. They could run additional weekend service. We are also looking at whether we could run the water shuttle six days a week instead of its five days right now but it only carries 31 people.
- Panel member Thenard asked if Michaan's Antiques Faire would be paused? Ms. Thorne-Lyman responded that the City has submitted "blackout" dates that are going into the bid documents. The City has been very clear that first Sundays are off the table, but there will be some weekends where there will need to be full Tube closures.
- Panel member Thenard asked since there will be more traffic on the City's bridges, will there be certain hours when the bridges can go up for boats? Ms. Thorne-Lyman answered that both Park and Fruitvale bridges are under Alameda County control. Panel member Grunt recalled from past discussions the boats have the right of way. A person on a sailboat can create backup to the freeway.

Ms. Thorne-Lyman said when we first started this dialogue back last August, the City was not getting a lot of traction with Alameda CTC on the idea of choices. And we feel like because of the efforts that we've all made, there's a window open to discuss them. But we still don't have any funding commitments.

Panel member Grunt asked if Michaan's faire could be held over a two-day period just to spread the load a bit? Ms. Thorne-Lyman said we can ask Michaan. Panel member Grunt added that it could cause a major loss of business because people could be stuck here until 6pm at night trying to get off the island.

Ms. Thorne-Lyman suggested maybe there is a way to get additional weekend service. Also, plans need to consider students who travel from Oakland to the College of Alameda. The City is doing everything it can on the Alameda side in terms of lanes, like having signals that give priority to buses and having lanes that are dedicated to the buses getting to Oakland to be able to close their line of traffic.

Chairman Mik said the item was for discussion purposes only, so no action was required.

6-B Discuss Messaging Ideas for the *San Francisco Business Times* Advertising Supplement

Mr. Fonstein presented the item. BREDD has traditionally purchased a 20-page insert—which appears biannually in print and online—for the *San Francisco Business Times*. It is a major marketing tool that reaches a key target audience, business executives and decision makers. The City also obtains 500 copies which is distributed through site visits and at various chamber events. The focus has been promoting Alameda as a hub of innovation as well as its quality of life attributes, such as schools, parks, wineries, breweries, ferry service, and like lanes.

The City is asking for EDAP's comments on questions:

1. Is there another message or topics that should be emphasized besides innovation? What else should be added in telling our story?
 2. Are there other tools that the City should be considering besides this business insert in order to reach our target audience of the business executives and decision makers? Is something else that the City should consider?
- Panel member Perata asked, what is the return on this? Does the City get data back on how many leads are generated? Mr. Fonstein said the City receives some (numbers) for the online version about how many clicks and how many views, but it is unknown how this translates into the number of new business considering or moving to Alameda.

Ms. Thorne-Lyman commented that she does not know the City will ever be able to tell how many people have come to Alameda because they saw the insert in the *SF Business Times*. It may not be about catching people who are subscribing to the *Business Times* in May but about having available copies for distribution in the chamber office for brand awareness for the City.

- Panel member Saddik asked, who advertises in it? Mr. Fonstein responded that it varies from year to year.
- Chair Mik asked, what is the City's goal with it? Is it brand awareness? Mr. Fonstein said there are multiple purposes: brand awareness, distribution during site visits, being part of the City's business culture. Ms. Thorne-Lyman added that last year there was an AMP insert, something wasn't just brand awareness. It was to remind people that you don't have to have PG&E. There's a choice.
- Panel member Perata asked, Who owns it? Can it be posted on the general website? Ms. Thorne-Lyman said she would get cost information to the panel. She added that every other year we'll be looking to our Alameda businesses to place ads in it, which will be a big push on our end. Chairman Mik said putting money aside, it's a good publication just to keep on the business community's radar throughout northern California.

- Panel member Perata said *SF Business Times* is behind a paywall. If the insert is not similarly blocked, then we can share and redistribute it to a wider audience. Alameda has many attractive qualities: it's quaint, its architecture, neighborhoods, schools. Chairman Mik said there's a quality of life where there's a balance between: it's a great place to open a business but it's also a great place to live. Not every place you might want to open a business is a place you want to live. Whereas Alameda is and that's the theme. It's a place where you might want to live as an owner and also it's a great place to hire people or attract people to come to work for you. We have two downtowns, and we have Spirits Alley and Alameda Point, and a commute by ferry.
- Panel member Perata said that the State of the City video is a great tool to promote Alameda. Mr. Ramirez said it could be tweaked for a campaign. Panel member Saddik said Mr. Ramirez is working on videos for *Choose Alameda* website, which includes interviews with business owners.
- Chairman Mik and panel member Grunt said that while the big businesses are essential for the City, they suggest making sure that the limelight also includes community: it's a good place to move your business because of the community.
- Panel member Thenard said we can show how well-rounded the City is with community traditions such as Halloween celebration, biotech, golf complex, lots of parks, a movie theater, and a vibrant downtown. Mr. Fonstein said there's also the proximity to the Oakland Airport, and the College of Alameda's Aviation Maintenance Technology program.
- Panel member Saddik said the *Choose Alameda* Website will not be up until May. And it will be unveiled at the Economic Forecast event in September.
- Chairman Mik said the item was for discussion purposes only, so no further action was required.

6-C Recommendation to Approve the 2025 Mayor's Economic Development Advisory Panel Meeting Schedule for the Remainder of 2025 with Any Necessary Changes; Request Suggestions for Discussion Topics at Future Meetings

Public Comments

None

Chairman Mik said that there are two parts to the item:

1. The first part is setting the meeting dates for the remainder of the year. At EDAP's last meeting, it decided to meet quarterly. The staff report proposes the first Wednesday of every 3rd month, which would be June 4th, September 3rd and December 3rd. Mr. Fonstein reported polling of EDAP members about the dates. Panel member Perata made a motion to approve the dates. The motion was seconded by panel member Grunt. The motion was approved 6-0.

2. Second part of this item is if EDAP members have ideas or topics related to economic development that they would like discussed at future meetings. Panel members wanted to think about it and will email Mr. Fonstein with topics.

7 STAFF COMMUNICATIONS

- Mr. Fonstein said that the annual Youth Job Fair at Encinal High School will be held on March 26. There are over 40 organizations signed up but there's room for others.
- Next week is the annual Restaurant Week. Mr. Fonstein said there is a kickoff event over at Action Brewing on Thursday, March 13th from 5:30 until 8:30. There are approximately 40 restaurants signed up. It's a great support to local restaurants.
- Ms. Thorne-Lyman said that the City Council will be hearing the same presentation the panel members heard tonight from Mr. Fonstein, the only difference being Dwayne Dahlman will be giving it. Council will likely be focused again on the vacancy strategy as they were last July.
- Ms. Thorne-Lyman also reported, on February 18th at the City Council meeting, the City Council did authorize us to enter into an exclusive negotiating agreement with Pacific Fusion, which relates to EDAP's last meeting about the disposition of the Enterprise District property. Pacific Fusion is not fully committed to Alameda. They're still exploring their options, but Alameda is a strong contender. And so Pacific Fusion is simultaneously advancing entitlements in the process in a couple of places. The agreement gives them a year to negotiate their first phase, which is about 12 acres at West Pacific Ave., Orion Street, and West Ticonderoga St.

Pacific Fusion intends to make its decision by the middle of 2025. Ms. Thorne-Lyman said it's a very aggressive clock trying to negotiate a term sheet and to advance the entitlement process with a goal of getting back to the City Council by June. It's an exclusive negotiating agreement where the City grants exclusive rights to the party and, in exchange, they have to complete a series of milestones over a certain period of time. There is an option for the additional 6 to 12 acres that is to the east towards Central Ave./Main Street. And they have an additional year on top of that first phase. If they are successful with the first phase, they'll have an additional year to negotiate a purchase option with the City for that phase. It reserves the rights that they could do a bigger campus if they want to. They've partnered with Heinz, who will be the developer. And so while Pacific Fusion is the party that is subject to this agreement with the City right now, we are anticipating at some point that it would be a combination of Heinz and Pacific Fusion or just Heinz ultimately. Ms. Thorne-Lyman thanked EDAP for its support and guidance.

- Panel member Thenard asked if Ms. Thorne-Lyman can tell EDAP more about this company? Ms. Thorne-Lyman said they have locations in Livermore and Fremont. They were founded in 2023 and they are backed by significant investment venture capital. They're building upon some breakthroughs in fusion, which is to create a net positive energy output, which they have demonstrated in a lab can work by fusing. They use two isotopes of hydrogen, which is built the lightest element on the periodic table, tritium and deuterium, and they fuse those together in a controlled process. They have demonstrated that they can get a net positive energy output from doing that.

This would be a demonstration facility. It's not a power plant and they won't be generating power into the grid. They will be using it to show that they have the ability just to efficiently scale up and move into a commercial product. And fusion, unlike fission, which is what's typically used in nuclear power plants, which is a quite explosive event, fusion is a very controlled event where you have to put power in. It cannot have a runaway reaction. These particular elements have a half-life of 12 years versus the thousands of years of a uranium, or plutonium.

Ms. Thorne-Lyman said the project may bring 250 jobs to Alameda, including 150 PhD engineer jobs and 50 technician jobs. There are conversations with College of Alameda about technician training. Under the proposal, the City would sell the land most likely to Heinz. Heinz would then lease the building to Pacific Fusion. So there's longevity of the building. It's of great concern to the City and the potential repurposing of the building.

Panel member Grunt pointed out that Kairos is already here, which may generate momentum for a second nuclear based business. Chairman Mik told Mr. Thorne-Lyman the City did a great job, and he's impressed how quickly the City has been moving. Ms. Thorne-Lyman said it's going to be a very significant power user for AMP. And the fact of the matter is, we can do it 40% cheaper and faster, deliver the building and connect the building faster and more predictably than PG&E. Panel member Perata said Pacific Fusion will be launching a project specific web page in the next week or two. So we should have more information soon. But I think to the point earlier about, you know, I think a big draw is AMP, attraction of the labor force and ease of attracting the very highly educated labor force they need. It's a real pitch for us, and to our earlier conversation, we should play that up in the [SF Business Times] publication. Chairman Mik said it's very exciting.

8 BOARD COMMUNICATIONS, NON-AGENDA

None

9 ORAL COMMUNICATIONS

None

10 ADJOURNMENT

Chairperson Mik adjourned the meeting at 7:41pm.

Respectfully submitted,
Eric Fonstein, Development Manager
Secretary, Mayor's Economic Development Advisory Panel