

With Uber's arrival, Oakland braces itself for the tech hordes

March 23 2016, by Michelle Quinn, San Jose Mercury News

Some cities prepare for hurricanes, tornadoes and floods.

Oakland is preparing for a different onslaught - an influx of [tech](#) workers and tech companies.

One might make the case that Oakland would be very lucky indeed if such a thing happened.

After all, cities around the world lovingly tend to anything tech sprouting up in strip malls and suburban garages.

Instead, the city - known more for Occupy, the Warriors and MC Hammer than coding - is looking to what has happened to San Francisco in terms of population, culture and cost (cue the head shake and sigh, "It's too late for San Francisco") and asking how Oakland can be different.

Can it welcome newcomers without losing its soul?

Oakland is at "an inflection point where we have an opportunity to write a new narrative of what the tech industry can be and put out a counternarrative to Silicon Valley and tech," said Catherine Bracy, the managing director of a new organization called the TechEquity Collaborative, which now counts about 15 firms as members. "There's another way to do the business of the Internet."

One of the best parts - though some call it one of the worst - of the Bay Area tech boom is that it is decentralized. Opportunity and prosperity are spread out geographically.

About 20,500 tech workers live in the East Bay city, home to Pandora and Ask.com, according to the Oakland Metropolitan Chamber of Commerce and Beacon Economics. City leaders estimate that there are about 6,500 tech jobs within the city. About 7.6 percent of Oakland's tech workers are African-American, much higher than the industry standard.

Tech businesses in the city have received \$830 million in venture funding since January 2014, putting Oakland at 11th of 22 Bay Area cities, according to PitchBook, a private financial market data provider.

Still, it's been easy to feel that the tech boom was largely happening elsewhere. Consider that \$5.2 billion went to San Francisco companies and Palo Alto firms nabbed \$1.2 billion.

But when Uber announced it had bought an old Sears building and would house 2,000 to 3,000 employees there, a shock went through the city. Residents began talking about the pros and cons of playing a bigger part in the Bay Area tech ecosystem.

Rising housing costs, of course, is the big worry. And job creation is great, but who gets hired?

"We look at San Francisco as a cautionary tale," Oakland Mayor Libby Schaff said.

The kind of tech hub Oakland wants to be is one with a social conscience, she added. The mayor has touted the idea of "techquity."

"I'm determined to do everything in my power to demonstrate that we can take this boom in Oakland and use it to lift up rather than push out our longtime vulnerable residents and our unique culture," she said. At the same time, "cities are dynamic places, they are destined to change. I do not believe in building a wall around my city and preventing people from coming here."

Bracy, who has worked at Code for America and the 2012 Obama presidential campaign in California, said the idea of the collaborative is that member companies would commit to a set of standards around the concept of "techquity."

While the details are still being worked out, some of those standards might include a commitment to hiring a diverse workforce, identifying future jobs that locals might be trained to do, using local services and playing a larger role in the community.

"Equity is a filler word to mean a lot of things," said Darrell Jones, head of business development at Clef, an Internet security firm based in Oakland. Every Wednesday, Clef holds a community dinner at The Port Workspaces where workers from local tech startups come and meet.

Tech needs to be "mindful to how they negatively impact this community," he said. Most companies "are externalizing that cost without thinking about it."

Jones was asked how his firm of seven, right in downtown Oakland, might be having a negative impact on the area. Engineers with headphones on worked hard at their desks underneath a sign that read, "Treat others the way that they would like to be treated."

The harm, he argues, happens in the aggregate, when a lot of companies like his move in and then take over.

Could the techquity conversation scare off potential businesses?

"We have an opportunity to move the needle for full and inclusive participation in tech," said Barbara Leslie, chief executive and president of the Oakland chamber. "We can learn from our neighbor's tech explosion and position Oakland for growth, while at the same time preserving our identity. The techquity conversation is important to have now."

That brings us to Uber. One of the most interesting questions will be how the ride-booking firm integrates with Oakland when it opens its offices in 2017. The company, with help from the mayor's office, has been on a "listening tour" of sorts, meeting with community members and trying to figure out how it wants to be Uber in Oakland. Connect with the local art, music and food scenes? Reflect the city's eclectic range of neighborhoods and its history?

"Oakland is going through revitalization on its own," said Laura Zapata, an Uber spokeswoman. "We want to be thoughtful about how we partner with local leaders and want to add value as responsible neighbors."

I am torn between appreciating Oakland leaders for their push for "tech equity" and feeling skeptical that getting these commitments will accomplish much. Also, I don't want potential businesses to be scared off by the techquity rhetoric.

Oakland might not be the right city for every tech firm but it has the potential to evolve as a tech hub in a more inclusive way. Those who decide to make it home know they are in for more than nice offices, with good proximity to transportation and restaurants. Will they be Oaklandish?

©2016 San Jose Mercury News (San Jose, Calif.)

Distributed by Tribune Content Agency, LLC.

Citation: With Uber's arrival, Oakland braces itself for the tech hordes (2016, March 23) retrieved 19 April 2024 from

<https://phys.org/news/2016-03-uber-oakland-braces-tech-hordes.html>

This document is subject to copyright. Apart from any fair dealing for the purpose of private study or research, no part may be reproduced without the written permission. The content is provided for information purposes only.