



City of

BERKELEY

2023 Economic Dashboard
Office of Economic Development

Employment Activity



Percent change in East Bay employment by sector (Nov. 2022 – Nov. 2023)

East Bay Industry Sector	Percent Change	% of Total Jobs
Arts, Entertainment & Recreation	10.9%	1.6%
Construction	9.4%	6.8%
Leisure and Hospitality	6.4%	9.6%
Accommodation & Food Services	5.5%	8.0%
Educational & Health Services	4.5%	18.2%
Real Estate & Rental & Leasing	3.0%	1.7%
Transportation & Warehousing	0.3%	4.2%
Government	0.3%	12.5%
Manufacturing	0.1%	9.3%
Retail Trade	0.1%	8.9%
Architectural, Engineering & Related Services	-1.6%	1.5%
Computer Systems Design & Related Services	-6.5%	1.7%
Administrative & Support Services	-7.9%	4.5%

Total East Bay jobs increased by 17,200 (1.4%) from Nov. 2022-23. The East Bay sectors with the most jobs are *Education & Health Services, Government* and *Leisure & Hospitality*. Sectors with the highest annual percent employment growth were:

- *Arts Entertainment & Recreation* (1,900 jobs)
- *Construction* (7,100 jobs)
- *Leisure & Hospitality* (7,000 jobs)
- *Accommodation & Food Service* (5,100)

Unemployment Rates increased year over year, in Berkeley and beyond.

4.0%

Berkeley UR

4.5%

Alameda County UR

4.9%

California UR

Largest employers



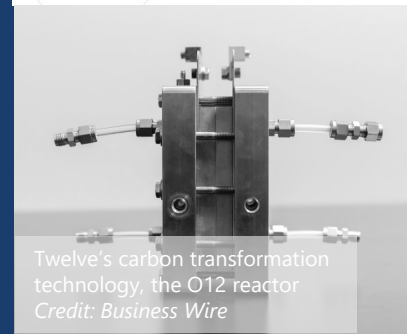
Top 25 Berkeley Employers

Company	Sector
Backroads Inc.	Recreation
Bayer Corp.	Biotech
Berkeley Bowl Produce	Food & Beverage
Berkeley Cement Inc.	Construction
Berkeley City College	Education
Berkeley Unified School District	Education
City of Berkeley	Government
Fieldwork Brewing Co.	Food & Beverage
Foresight Mental Health	Healthcare
Information Systems and Accounting	Business Services
Kaiser Permanente Medical Group Inc.	Healthcare
Lawrence Berkeley National Lab	Laboratory
Lifelong Medical Care	Healthcare
Meyer Sound Laboratories	Manufacturing
OC Jones & Sons	Construction
Twelve	Manufacturing/ R&D
Safeway Inc.	Food & Beverage
Siemens Corp.	Manufacturing
Sutter Bay Hospital	Healthcare
Target Corp.	Retail
The Wright Institute	Education
University of California	Education
UPSIDE Foods	Biotech/R&D
Whole Foods Market	Food & Beverage
YMCA of the Central Bay Area	Recreation

Source: State of California Employment Development Department (EDD), Q1 2023 excluding companies no longer in Berkeley by the end of 2023



courtesy of Facebook

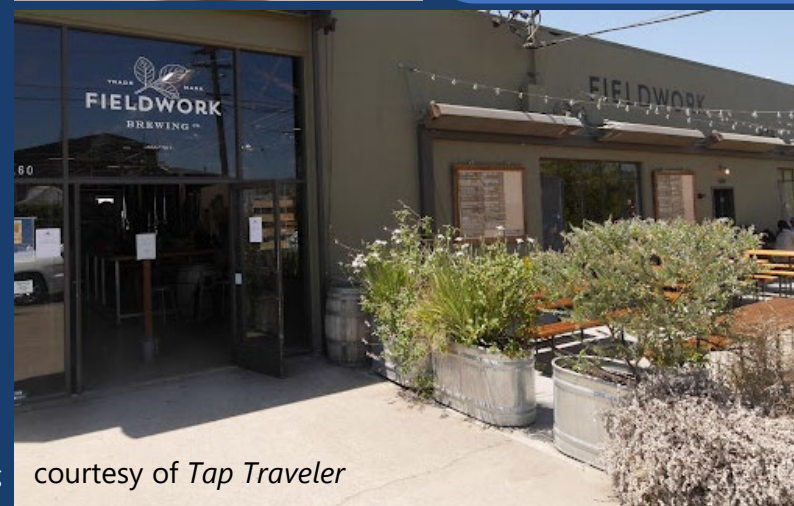


Twelve's carbon transformation technology, the O12 reactor
Credit: Business Wire

Berkeley's top 25 employers (by number of employees) are reflective of the city's diverse economy.



Courtesy of Bekeleyside, Pete Rosos



courtesy of Tap Traveler



Hospitality sector snapshot



In 2023, Berkeley's tourism and lodging sector posted increases in key economic performance metrics.

70%

Average nightly hotel occupancy

\$181

average daily room rate

~\$8m

Berkeley hotel tax revenue

* Arrows denote year-over trends, 2022-23



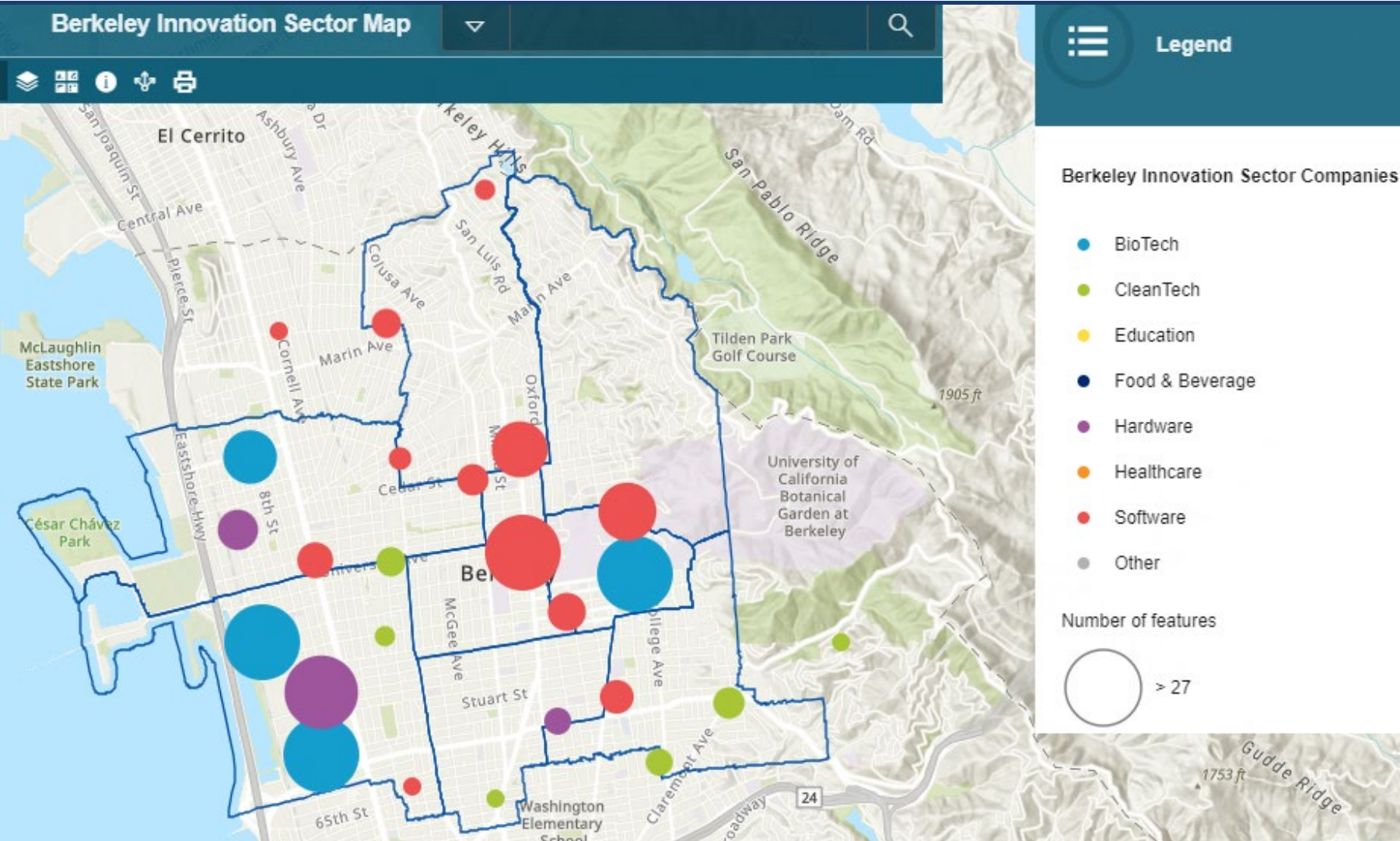
Campaigns such as Berkeley Restaurant Week kept the city's culinary scene on the map.

Food businesses benefitted from over \$18K in sales of Berkeley Bucks e-gift cards.

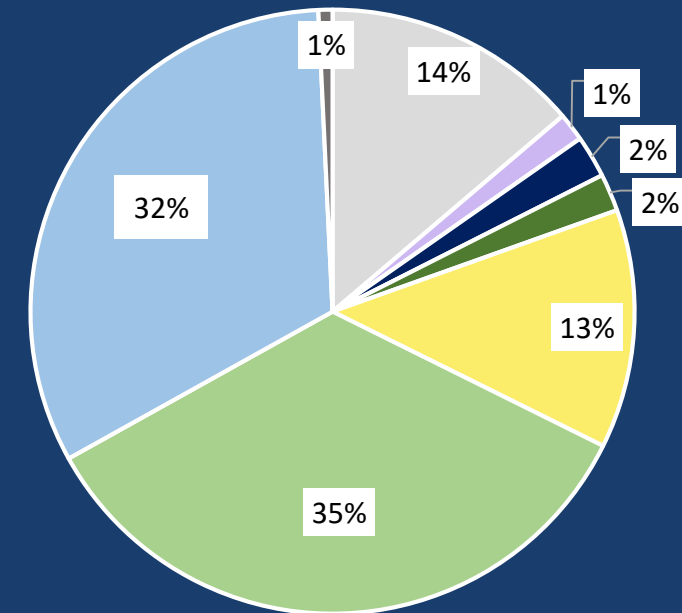
Berkeley hosted the Bioneers Conference in Downtown Berkeley for the first time. The conference will return March 28-30, 2024.



Berkeley's citywide innovation ecosystem



Innovation Companies by Industry



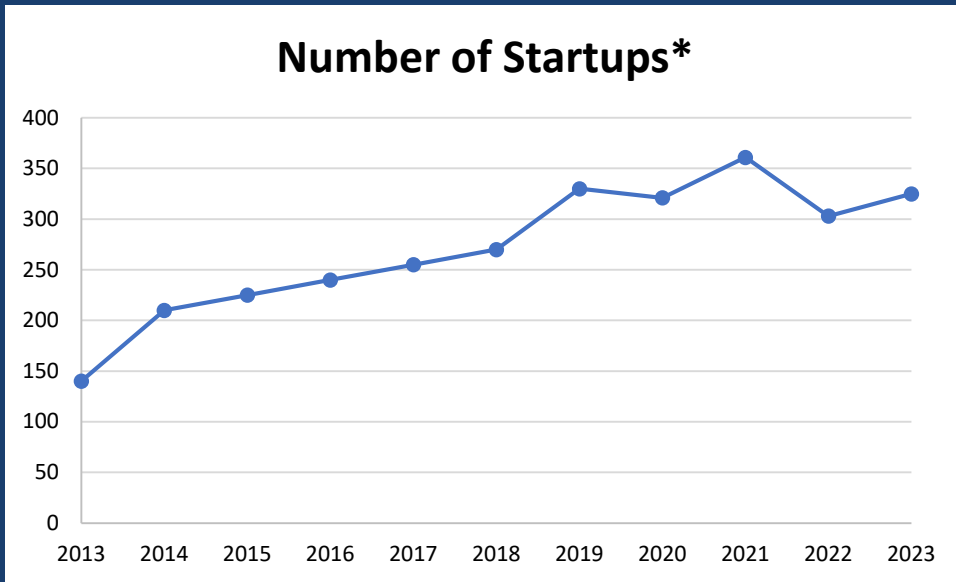
- CleanTech
- Consulting
- Education
- Food & Beverage
- Hardware
- Healthcare & Life Sciences
- Software
- Other

See details on the Berkeley Startup Cluster website: www.berkeleystartupcluster.com/startups

Berkeley startups



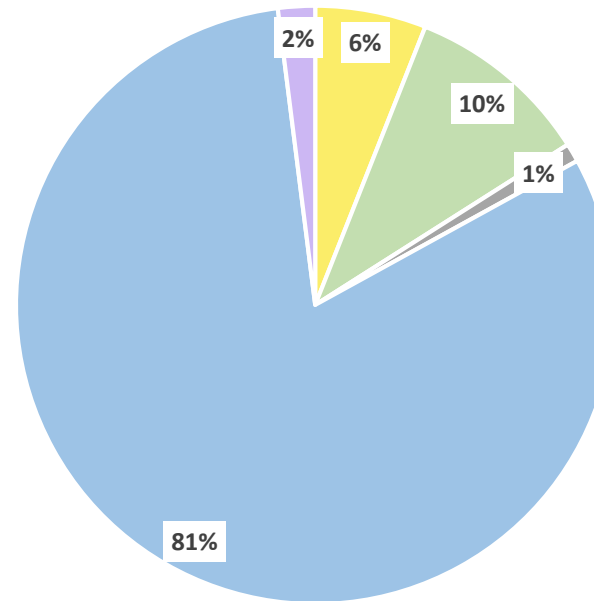
Startups comprise more than 80% of Berkeley's innovation ecosystem.



Source: City of Berkeley Office of Economic Development (OED), UC Berkeley IPIRA Pitchbook data

*Companies defined as startups are for-profit businesses that sell innovative technology products or services OR substantively use innovative technologies to develop and manufacture their products or provide their services AND are developing repeatable and scalable business models that aren't yet profitable.

Innovation Companies by Growth Stage



- consulting company
- established company
- incubator or coworking facility
- startup
- subsidiary company

Pitchbook ranks UC Berkeley #1 for venture-backed startups started by undergraduate founders over the past decade.

Number of venture-backed startup companies

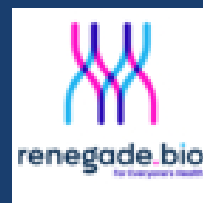
1	Berkeley	1,305
2	Stanford	1,297
3	Harvard	1,086
4	University of Pennsylvania	993
5	MIT	949

Source: Pitchbook, data from 2013-2023

Startup fundraising



Top 10 Deals of 2023



84

Berkeley innovation companies raised money, 2023

\$840m

Seed & venture capital raised by startups, 2023

\$17m

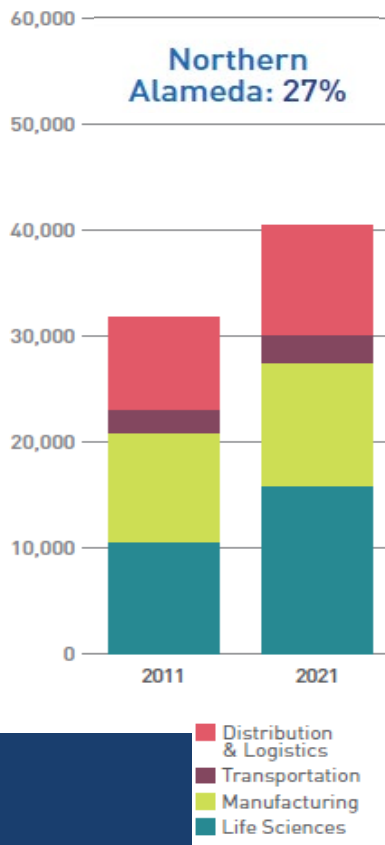
Govt R&D grants awarded to Berkeley companies, 2023

* Arrows denote year-over trends, 2022-23

Regional trends in life sciences & manufacturing



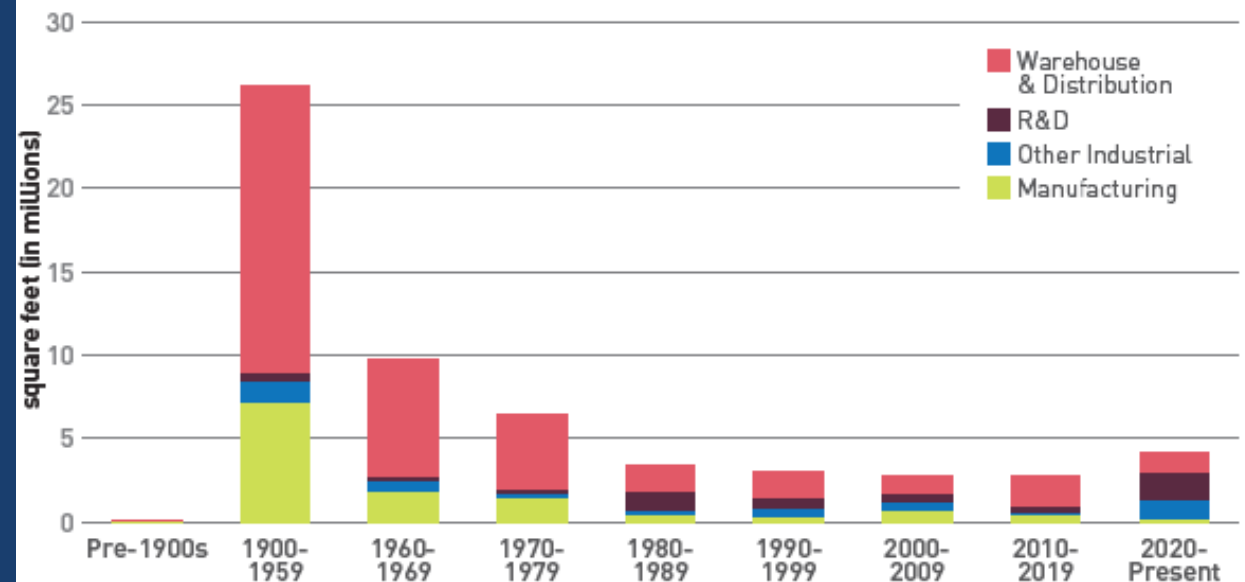
East Bay Industrial Job Growth by Sector



“Northern Alameda” had the second highest industrial job growth (27%) in the East Bay between 2011-21, behind only “Southern Alameda” (77%). Life Sciences drove the growth, with jobs in this industry increasing 51%, from 10,469 to 15,782.

Only the “Flex/Industrial R&D” real estate category saw net gains in Northern Alameda between 2013-23, with an increase from 129 to 137 buildings (~396k sq. feet).

Northern Alameda Industrial Building Square Feet by Decade Built or Renovated



Sales tax revenues



Total Annual Sales Tax Revenue	July '21 to June '22	July '22 to June '23	% Change (Year over Year)
City of Berkeley	\$16,385,109	\$14,709,995	-10.2%
Alameda County	\$416,849,170	\$447,204,095	7.3%
State of California	\$9,292,057,968	\$9,510,809,118	2.4%

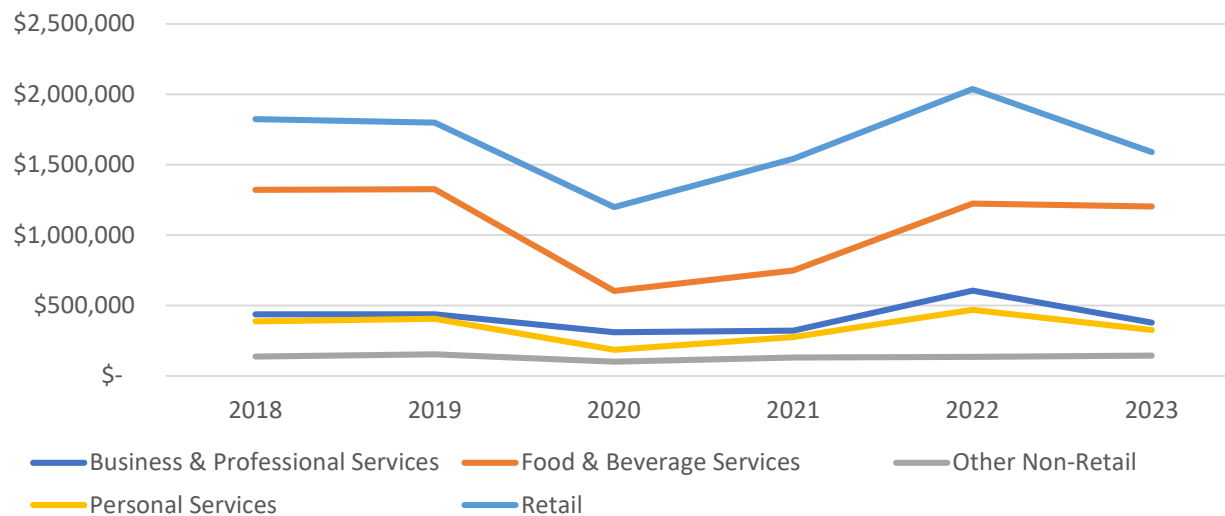
Sales tax revenue in Q3 2023 was down 18.5% from Q2 2022, but is higher than citywide sales tax collected in the acute phases of the pandemic.

In Q2'23, the *Retail* subsector was the largest contributor to the city's sales tax revenue (44%).

Food & Beverage was second (33%).

The decrease in year-over-year Q2 sales tax collection was largely due to significant decreases in the *Business & Professional Services* (down 38%), *Personal Services* (down 30%), and *Retail* sectors (down 22%).

Berkeley Q2 Sales Tax Revenue by Business Category



Ground floor commercial vacancy rates by district



Vacancy Rates* by District, Calculated by Square Footage, 2018-2023

District	2018	2019	2020	2021	2022	2023
Downtown	3.1%	5.1%	9.9%	15.7%	11.9%	10.8%
Elmwood	7.3%	7.3%	10.9%	10.9%	7.7%	6.2%
North Shattuck	1.7%	0.7%	4.3%	4.3%	4.3%	1.9%
San Pablo	4.9%	4.6%	4.8%	7.9%	10.8%	15.5%
Solano	4.1%	2.6%	6.7%	4.4%	3.7%	2.6%
South Berkeley	9.7%	7.6%	10.1%	8.8%	11.8%	19.2%
Telegraph	7.9%	4.4%	17.2%	12.6%	8.5%	9.3%
University	11.0%	7.8%	11.0%	9.1%	12.8%	17.7%
Neighborhood Commercial (C-N)			7.3%	3.2%	2.3%	2.6%
West Berkeley	3.7%	5.8%	3.7%	4.7%	5.2%	2.2%
Citywide Avg.	5.0%	5.4%	6.9%	8.3%	8.4%	8.1%

Berkeley has a **8.1%** citywide ground floor commercial vacancy rate.

- *Decreases in vacancy:*
North Shattuck, West Berkeley, and Solano
- *Increases in vacancy:*
San Pablo, South Berkeley, Telegraph, University, and C-N districts.



Source: Berkeley OED

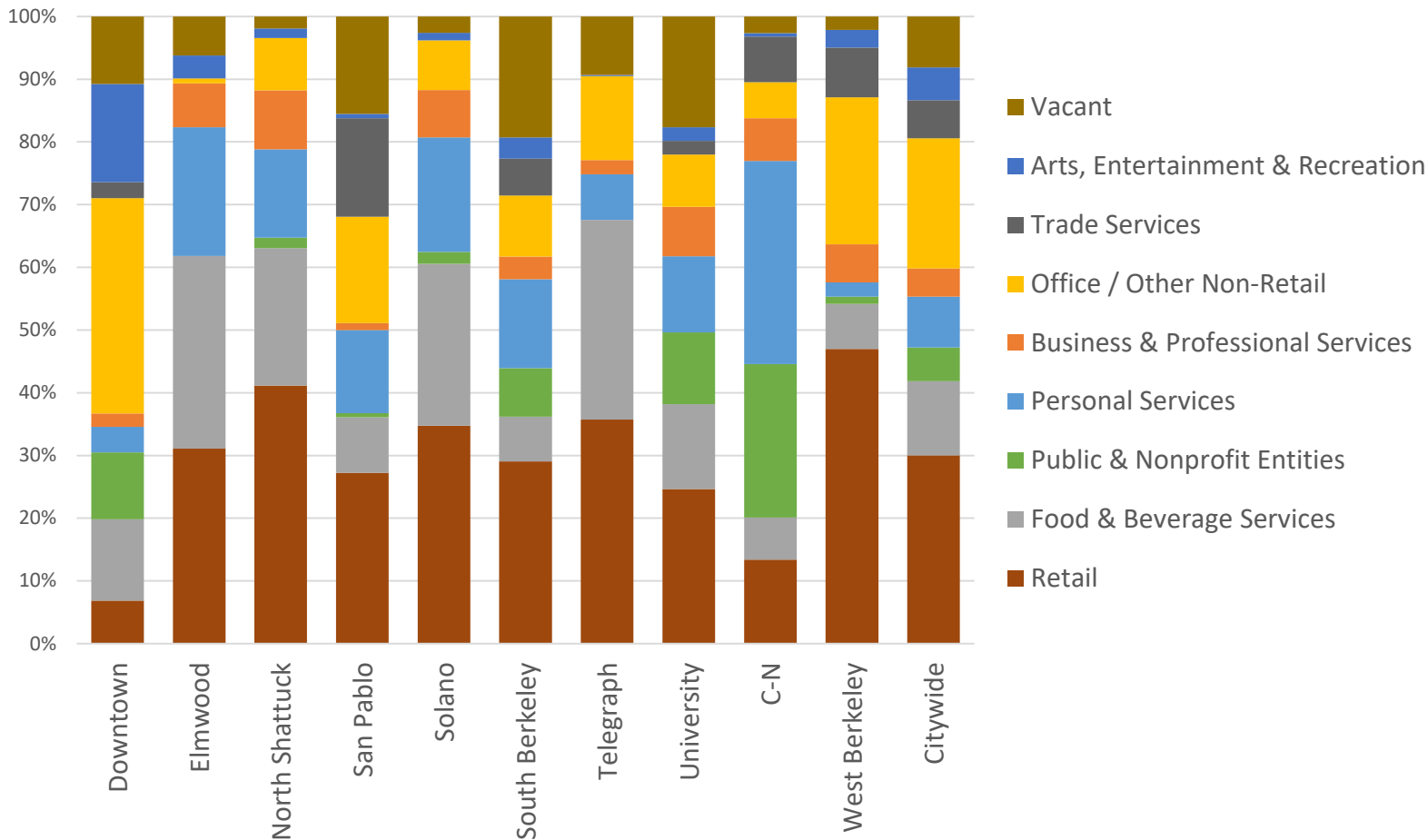
*Typical commercial district storefront vacancy rates range from 5-15%.

Photos: OED, Jamestown

Ground floor commercial vacancy rates by category



Ground Floor Commercial Occupancy By Category, 2023 Q4



Retail comprises the most significant percentage of ground floor space, with Food & Beverage also representing a large portion, especially in the Telegraph, Elmwood, Solano, and North Shattuck districts.

Among the three retail sectors (Food & Beverage, Retail, and Office/Other Non-retail), the trend over the past three years is toward stabilization. These sectors comprised 62% of Berkeley commercial inventory in 2023 (vs. 69% in 2019).

Commercial real estate – office



OFFICE MARKET STATISTICS

13.4%

\$3.45

Availability rate for office space

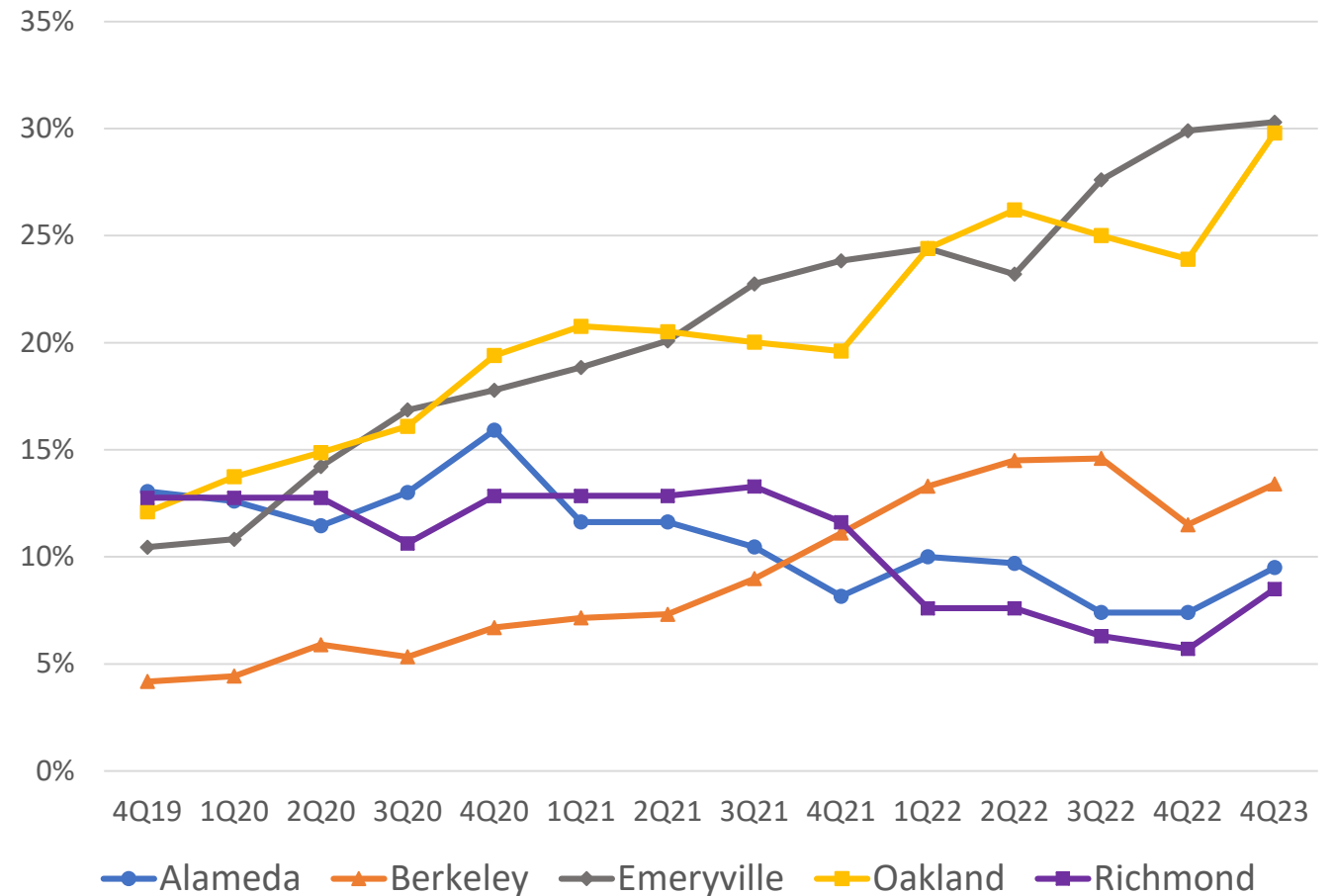
NNN Rent per square foot



Source: Newmark, Q4 2023 Office Market Overview

* Arrows denote year-over trends, 2022-23

Office Availability, East Bay Cities Q4 2019 – Q4 2023



Source: Newmark Cornish & Carey, 4Q23 Greater Oakland Office Market Report

Commercial real estate – lab



LAB MARKET STATISTICS

42.1%*

\$7.00

Availability rate for lab space

NNN Rent per square foot

*includes Berkeley Commons (539k SF). The availability rate for Berkeley in 4Q23 would be 22.7% otherwise.

Source: Newmark, Q4 2023 Life Science Market Overview

* Arrows denote year-over trends, 2022-23



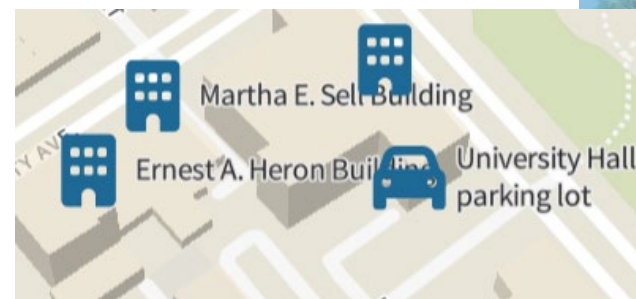
The Lab Berkeley

Foundry 31

Berkeley Commons

Berkeley Forge

Berkeley Innovation Zone



Development opportunities to watch



Former Pacific Steel Casting Plant, November 2022. Photo: OED

The former Pacific Steel Casting + Berkeley Forge & Tool properties offer nearly **10 acres** for development in West Berkeley. The anticipated future **Berkeley Forge** project will bring 900,000 square feet of innovation space for R&D.



Source: Berkeley Forge Conceptual Plan, June 2023, Berkeley Forge Group/Perkins & Will



Photos: El Cerrito Patch

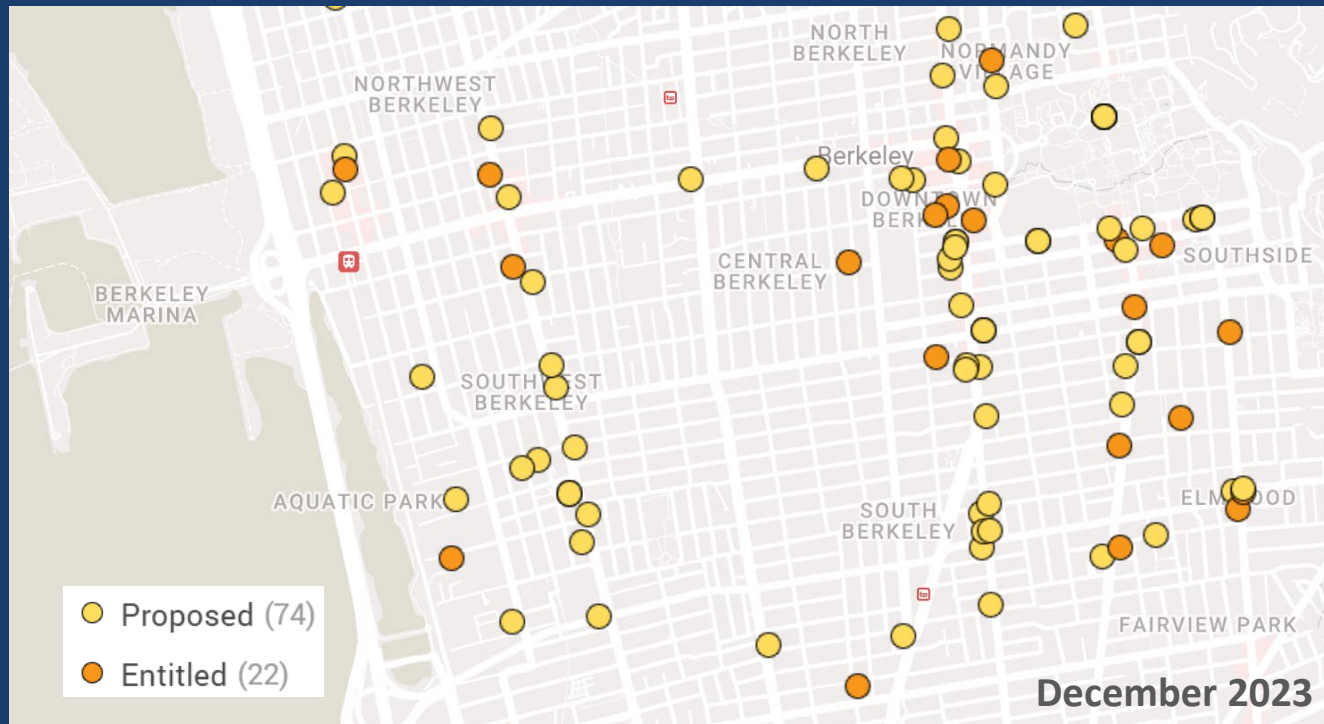
Golden Gate Fields horse racetrack (a 140-acre waterfront site straddling the Berkeley-Albany border) will close in July 2024.

If built as proposed, **1998 Shattuck Ave** will become the tallest structure in Berkeley, higher than today's Chase building at 186 feet.

Housing development pipeline



Berkeley Commercial & Large Residential Developments, Project Status

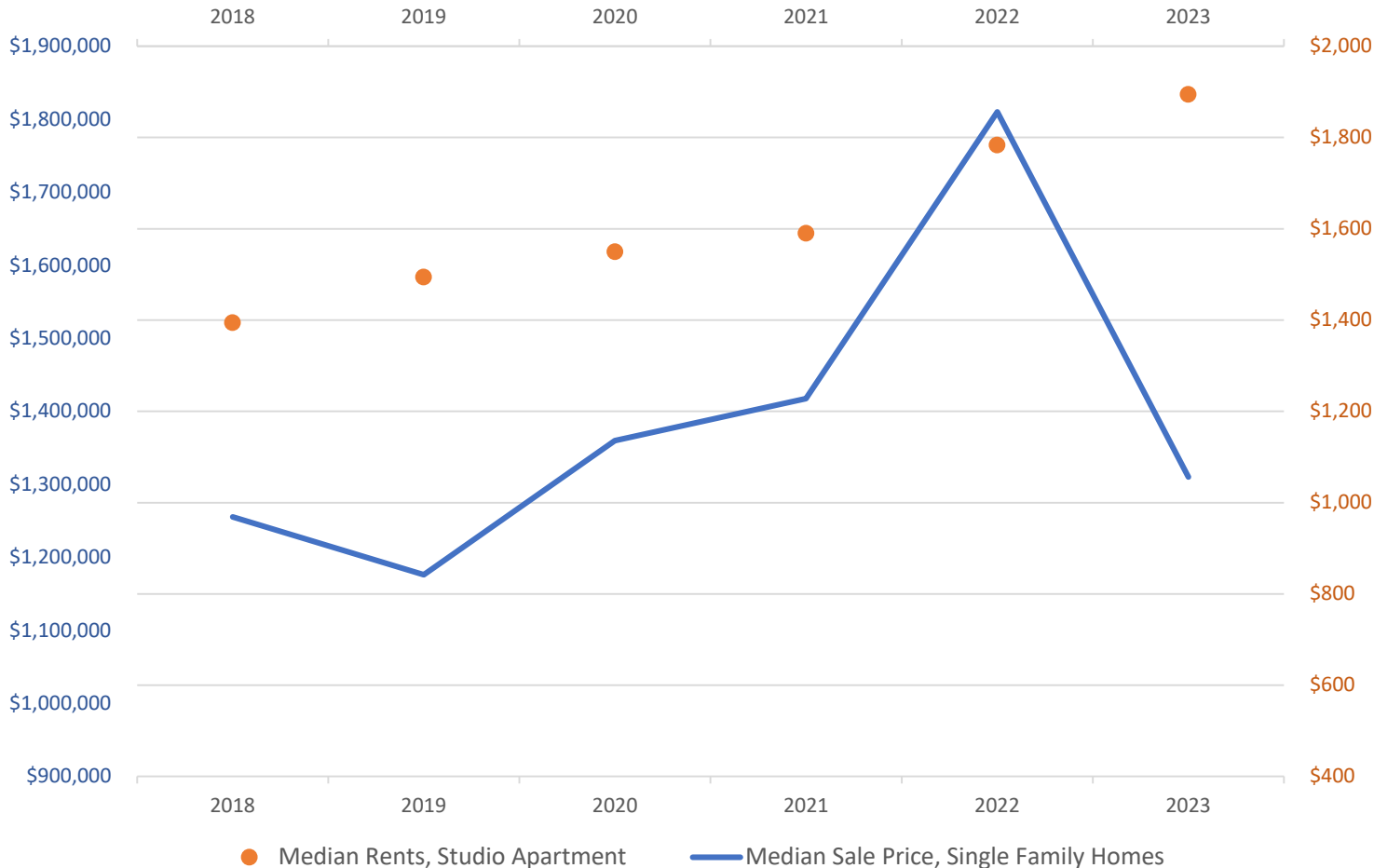


- In the final month of 2023, applicants submitted land use permit applications for **16 projects representing a total of 2,426 new housing units.**
- The plans span several neighborhoods and are typically close to transit and UC Berkeley.

Housing prices



Housing Prices in Berkeley, 2018-2023



Sources: Redfin, Apartment List, Rent Cafe, and City of Berkeley Rent Stabilization Board

Median Sale Price, Single-Family Homes, Dec. 2023

Alameda	\$1,200,000
Albany	\$1,024,000
Berkeley	\$1,240,000
El Cerrito	\$1,224,500
El Sobrante	\$710,000
Emeryville	\$500,000
Oakland	\$825,000
Richmond	\$560,000
Piedmont	\$3,357,500
San Leandro	\$800,000

-8.1%

Decrease in Berkeley median home sale price, Dec. 22- 23

-19%

Decrease in Berkeley home sales volume, Dec. 22- 23

Sources: Redfin, Apartment List, and City of Berkeley Rent Stabilization Board



OED efforts to support local economic sustainability

Financing small businesses through the Revolving Loan Fund & Resiliency Loan Program



Revolving Loan Fund (RLF) Portfolio	Total Loans	Active Loans
Number of RLF Loans	45	6
RLF \$ Loaned	\$2,744,987	\$740,000
Total Non-RLF \$ Leveraged	\$7,453,083	\$2,303,486
Private Sector Jobs Created	204	50
Private Sector Jobs Saved	100	76

Source: Berkeley OED, June 2023

COVID-19 Resiliency Loan Program (RLP) Portfolio	Active Loans
Number of RLP Loans	18
RLP \$ Loaned	\$793,000

Source: Berkeley OED, December 2023

Current RLF Borrowers: **NABOLOM BAKERY**



Supporting Berkeley's existing small businesses

Loan Administration Board members visiting the Revolving Loan Fund (RLF) recipient *California Jazz Conservatory* during the annual RLF recipient tour (Fall 2023).



RLF recipient *Kitchen on Fire* uses whole foods and timeless techniques to inspire students to integrate healthy cooking practices into their home kitchen and lifestyle.

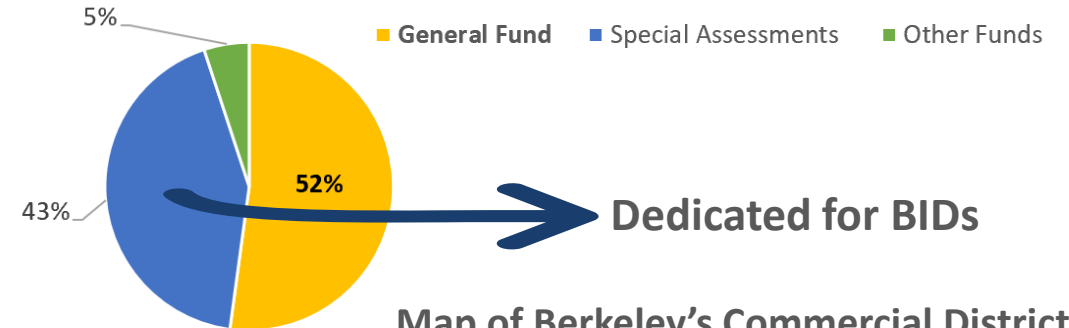
Enabling sustainable business networks



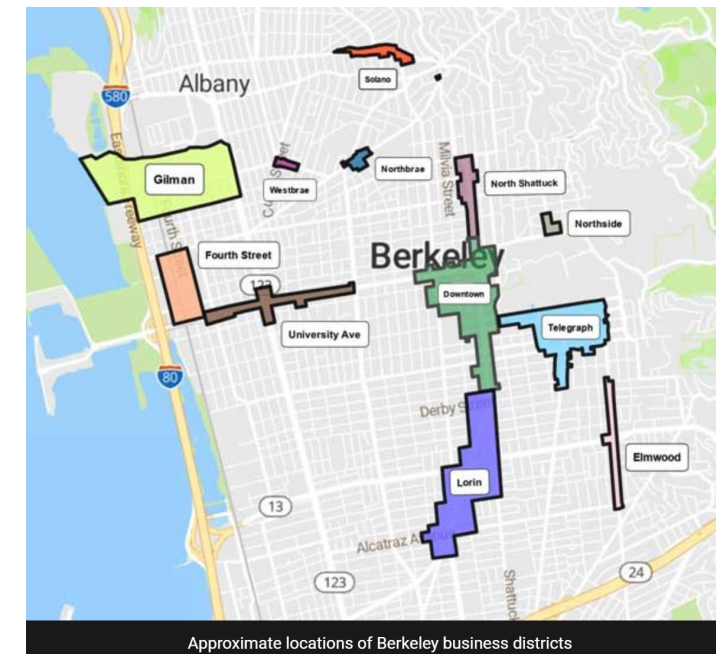
- Approximately 43% (\$2.46M) of OED's Operating Budget and Expenditures annually goes towards support to Berkeley's Business Improvement Districts (BIDs).
- OED supports local BIDs, Visit Berkeley, and the Berkeley Chamber through the Berkeley Business District Network (BBDN).
- *Coming in 2024* – Elmwood BID expansion and Parking BIDs in the Lorin and Gilman Districts.



OED Operating Budget by Funding Source (\$5.7M) FY23-24



Map of Berkeley's Commercial Districts



Approximate locations of Berkeley business districts



Expanding outdoor commerce



Starting June 2020, the City offered an option for permitting “outdoor commerce” (business activities in public right of way).

Businesses that wish to continue outdoor commerce installations approved during COVID now have a path to permanence. Outdoor Commerce Use Fees will be charged starting 5/20/24, a year after the COVID-19 emergency was declared over in May 2023. Early estimates indicate that 30+ businesses may take advantage of the pathway.

clockwise from left: Viet Vu of Hoi Polloi, Kelsie Kerr of Standard Fare, Peter Levitt of Saul's Delicatessen, Kara Hammond of Baker & Commons (photo credit: Kelly Sullivan)

Marketing businesses

DISCOVERED in BERKELEY



The *#DiscoveredinBerkeley* campaign spotlighted exceptional, values-driven Berkeley companies that make Berkeley residents, business owners and workers proud. Through [DiscoveredinBerkeley.com](https://discoveredinberkeley.com), *Berkeleyside* articles & banner ads, [Instagram @DiscoveredinBerkeley](https://www.instagram.com/DiscoveredinBerkeley) posts, and other promotions via business network partners, the campaign has exceeded 3.8 million impressions and registered more than 146k concrete engagements.



@ Ciel Creative Space in West Berkeley

At the Berkeley Chamber's annual "Berkeley Today & Tomorrow" event, more than 200 members of our community celebrated the creativity, resilience and innovation of Berkeley businesses, including women entrepreneurs, green caterers, glass manufacturers, clothing upcyclers, robot designers, and many others who sell games, pottery, recreational opportunities, and unique holiday gifts.

FOOD FORWARD
#DISCOVERED in BERKELEY

At **California Rose Catering & Cali Alley**, being "green" is a business focus, not just the color of the fresh foods they prepare.

Learn more about Berkeley's innovative businesses >

LOCAL LOVE
#DISCOVERED in BERKELEY

Worker-owned cooperative **Adams & Chittenden Scientific Glass** has been manufacturing laboratory glassware and scientific tools in West Berkeley for 30 years.

Learn more about Berkeley's innovative businesses >

THE UP CYCLE
#DISCOVERED in BERKELEY

Don't give up treasured items. Get them restored, repaired, altered or modified at **Narain's** in West Berkeley.

Learn more about Berkeley's innovative businesses >

DEEP TECH
#DISCOVERED in BERKELEY

Sushy Robotics designs specialized sensor robots in West Berkeley to provide first responders with critical information about HazMat, wildfires and other risky situations.

Learn more about Berkeley's innovative businesses >



Greening local business practices

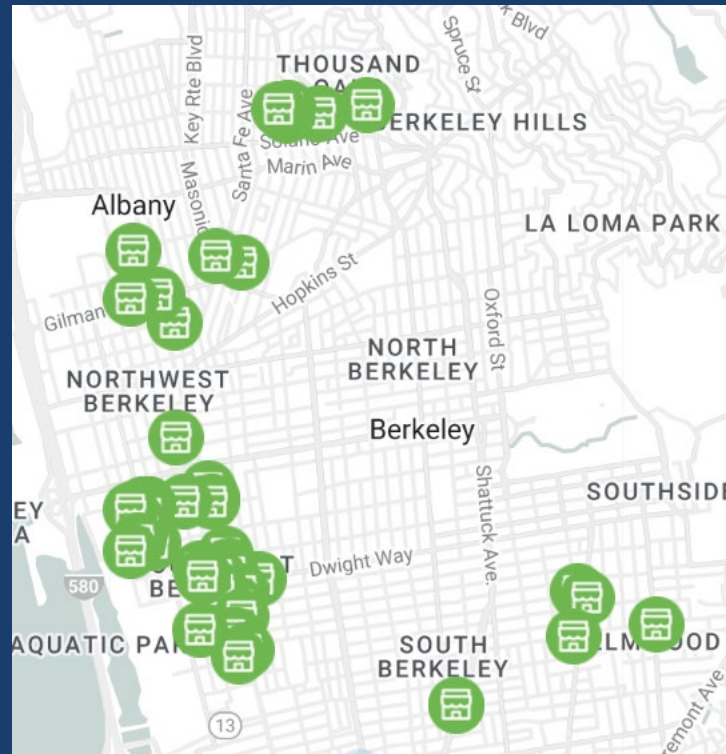


Going Green Helps Companies Achieve Environmental Benefits and Cost Savings

OED worked with the California Green Business Program to support **170 green businesses in Berkeley**. Results from 2023 included:

- 10 new green businesses certified
- 15 green businesses recertified
- 1,015,680 gallons of water saved
- 613,401 kWh of electricity avoided
- 124,597 lbs of solid waste diverted
- 979 gallons of fuel saved

Green Businesses in Berkeley



See all Green Businesses in Berkeley at www.greenbusinessca.org

A photograph of the exterior of a Fillgood Refill Station. The storefront features large glass windows and doors. A sign above the entrance reads "Fillgood Refill Station". The window displays a message: "PLANET not PLASTIC" and "Let's Replace Single Use Plastics by REUSE and REFILL." Below the window, there are several signs, including one that says "MASKS REMOVED".

WE'RE A CERTIFIED CALIFORNIA GREEN BUSINESS!

FILLGOOD IS NOW A [CERTIFIED CALIFORNIA GREEN BUSINESS!](#)

As you know, being an environmentally-friendly company has been our core mission from day one. Besides offering products to help everyone become more plastic-free and sustainable, we also have been making a concerted effort behind the scenes to lower our footprint as a whole. Over the past months, we decided to take that commitment to the next level and become certified as a California Green Business.

Green Business is Smart Business	Great for the Environment	Great for Communities

Promoting equitable development



The City of Berkeley joined the National League of Cities' Cities for Inclusive Entrepreneurship program to explore ways to work with local business network partners to strengthen relationships with Berkeley's Latinx and Black-owned businesses and support their scale-up, expansion, and continuity. Outreach to black and brown businesses uncovered that many of their challenges are the same as those facing other small businesses citywide.

In partnership with Project Equity, OED convened leaders from across the East Bay to discuss how to best unlock the power of employee ownership to build a more resilient & equitable economy in the Bay Area.



Featured businesses: Black Repertory Group Theater, Strong Island Fitness, & Endless Summer Sweets

Deepening and diversifying Berkeley's talent pipeline



Dozens of Berkeley High School students saw how their science, technology, engineering and math (STEM) skills apply in the workplace from 11 companies during 8 **STEM CareerX Tours** in 2023.



Cell Valley Labs: *"I learned more about drug startup companies and how they try to find cures/treatments for diseases. I found it very interesting."*

Valitor Bio: *"I learned that drugs administered through the bloodstream cannot reach the retina, so it's difficult to treat eye conditions."*

Harvest Thermal: *"The concept of the field trip where we could see the technology actually being applied in a home was really cool."*

Funding arts & culture in Berkeley



Civic Arts Grants Awarded in 2023

11

31

55

individual arts projects
(\$44,000)

community festivals
(\$199,983)

arts organizations
(\$454,799)



Berkeley Indigenous Peoples Day Powwow & Indian Market, community festival grantee. Photo: Ray Chavez.

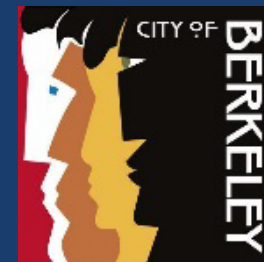


Berkeley Repertory Theatre, general operating support grantee. Photo: Student matinee, source www.berkeleyrep.org.

The City of Berkeley Civic Arts program provided grants to support a vibrant arts ecosystem, strengthen diverse cultural expressions, and ensure equitable access to arts and culture throughout Berkeley.

The City leveraged a matching grant from the National Endowment for the Arts to create a new Civic Arts grant program with \$60,000 to distribute in grants (up to \$5,000 each) for:

- Berkeley nonprofit (not-art specific) organizations producing arts and cultural programming in partnership with an arts organization or teaching artist; or
- Greater Bay Area arts nonprofit organizations producing arts and cultural programming in Berkeley.



City of

BERKELEY

Office of Economic Development (OED)

See the OED website for annual Economic Dashboards and other economic reports:

<https://berkeleyca.gov/doing-business/economic-development/economic-dashboards-and-reports>

Contact OED for more information:

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