



City of

BERKELEY

2022 Economic Dashboard
Office of Economic Development

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CITYWIDE ECONOMIC DASHBOARD

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Employment Activity by industry sector - employment



Percent change in employment by sector
(Dec. 2021 – Dec. 2022)

East Bay Industry Sector	% Change
Arts, Entertainment & Recreation	19.10%
Manufacturing	7.20%
Clothing & Clothing Accessory Stores	7.00%
Accommodation & Food Services	6.20%
Architectural, Engineering & Related Services	6.10%
Construction	5.70%
Real Estate & Rental & Leasing	5.60%
Educational & Health Services	3.00%
Retail Trade	2.90%
Transportation & Warehousing	1.10%
Government	-1.40%

Source: Alameda County Workforce Development Board,
Labor Market Information (LMI-EDD) for East Bay.

Job Recovery Amidst the Pandemic

Between December 2021 and December 2022, the total number of jobs located in the East Bay increased by 14,800 or 1.1%. The sectors with the highest percent growth in employment included Arts, Entertainment & Recreation, Manufacturing, Retail, and Accommodation & Food Services. These sectors have continued to rebound coming out of the pandemic.

Unemployment rates continue to decline:

	December 2021	December 2022
California	4.8%	3.7%
Alameda County	3.8%	2.7%
Berkeley	2.9%	2.5%

Source: State of California Employment Development Department (EDD)

Employment Activity

by industry sector - employment



Top 25 Berkeley Employers

Company	Sector
Arris Composites, Inc.	Manufacturing/R&D
Backroads Inc.	Recreation
Bayer Corp.	Biotech
Berkeley Bowl Produce	Food & Beverage
Berkeley Cement Inc.	Construction
Berkeley City College	Education
Berkeley Repertory Theater	Arts & Entertainment
Berkeley Unified School District	Education
City of Berkeley	Government
Fieldwork Brewing Co.	Food & Beverage
Foresight Mental Health	Healthcare
Kaiser Permanente Medical Group Inc.	Healthcare
Lawrence Berkeley National Lab	Laboratory
Lifelong Medical Care	Healthcare
OC Jones & Sons	Construction
Perfect Day, Inc.	Biotech
Siemens Corp.	Manufacturing/ R&D
Sutter Bay Hospital	Healthcare
Target Corporation	Retail
Technical Safety Services, Inc.	Biotech
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



Berkeley Repertory Theatre
Credit: Young Electric



Berkeley Bowl West
Credit: Architectural Record

Berkeley's top 25 employers (by number of employees) is reflective of the city's diverse economy. There are four top employers in the healthcare sector and four in the education sector. UC Berkeley remains one of the city's main economic engines. There are several biotech and R&D companies on the top 25 list, which reflects the strength and positive growth trajectory of these industries.

Source: State of California Employment Development Department (EDD), Q1 2022*

*Data from Q1 2022 excludes companies no longer in Berkeley by the end of 2022

Employment Activity

by industry sector - hospitality



Berkeley's tourism and lodging sector came roaring back in 2022, posting solid gains in hotel occupancy and revenue.

Food & Beverage Services

One of the sectors hardest hit by the pandemic—restaurants—dished up solid gains in 2022 as indoor seating returned to complement the popular addition of outdoor dining citywide. Berkeley Restaurant Week, March Munch Madness, and the fast-growing Berkeley Wine Block and its First Friday events spurred sales.



DoubleTree by Hilton. Photo: Visit Berkeley.



Residence Inn by Marriot. Photo: Visit Berkeley.



Berkeley Wine Block First Friday. Photo: Visit Berkeley.

Tourism & Lodging

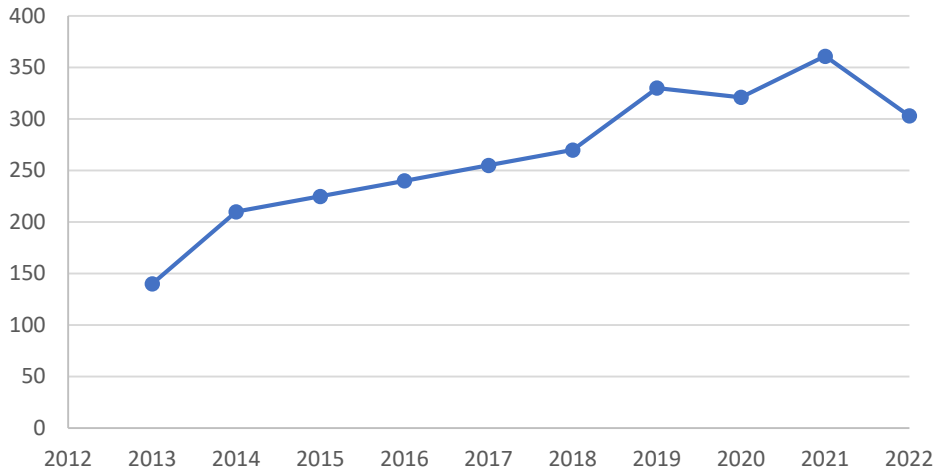
- Average nightly hotel occupancy rose from **53% in 2021 to 69% in 2022**. This is still below pre-pandemic average occupancy rates in the low 80% range, though.
- Revenues are up 110% from 2021, but total revenue still lags by 10% from pre-pandemic levels.
- Several Berkeley lodging properties were taken out of inventory for the [Homekey program](#), but were offset by two new high-rate hotels: Aiden by Best Western and Residence Inn by Marriott.
- Leisure travel led the recovery with a return to more traditional vacation patterns. Meetings, conventions, and group travel continue to lag, but there are signs of increased demand in these segments for 2023.

Employment Activity

by industry sector – startups & innovation businesses



Number of Startups in Berkeley



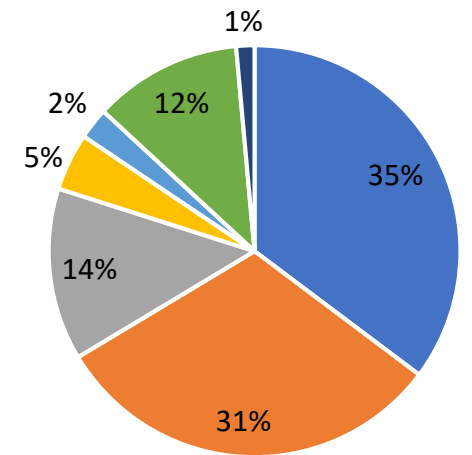
Source: City of Berkeley Office of Economic Development (OED), UC Berkeley IPIRA

*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.

In 2022, 62 Berkeley companies raised more than **\$1.8B** in venture capital. In addition, Berkeley companies were awarded more than **\$5.9M** in grant funding and almost **\$250M** in loans in 2022.

Of more than 400 Berkeley innovation companies citywide, software is the largest component (35%). Healthcare and life sciences comprise nearly a third (31%) and CleanTech is also a growing component (representing 13% of the total, which is up from 9% just two years ago).

Innovation Companies by Industry Category



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

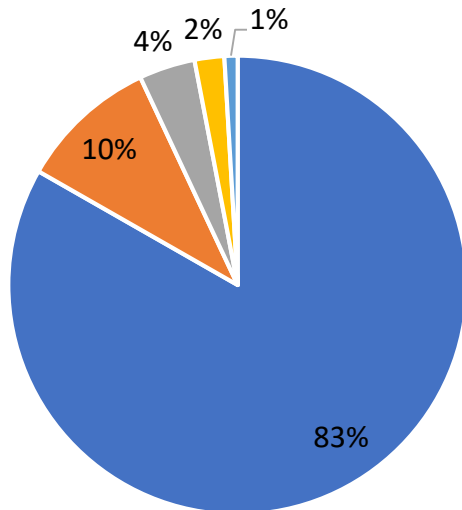
Source: OED, Berkeley Startup Cluster

Employment Activity

by industry sector – startups & innovation businesses



Innovation Companies by Growth Stage



- Startup
- Established Company
- Consulting Company
- Subsidiary Company
- Incubator or Coworking Facility



More than 80% of Berkeley’s innovation companies are startups. The other companies in the local innovation ecosystem are:

- publicly traded or operating profitably in the STEM industry);
- consultants without explicit goals to scale up;
- subsidiary companies who are now part of a larger parent company;
- incubators or coworking facilities, like Bonneville Labs or Cell Valley Labs.

Berkeley Innovation Sector 2022 Highlights

- [Upside Foods](#) raised \$387 million in Series C funding in April 2022. The company also became the first in the world to receive the [green-light from the FDA](#) for cultivated meat.
- [Twelve](#) raised \$130 million of Series B venture funding in a deal led by DCVC on June 29, 2022.
- [Carmot Therapeutics](#) raised \$160 million in Series D funding in July 2022.

Commercial Activity

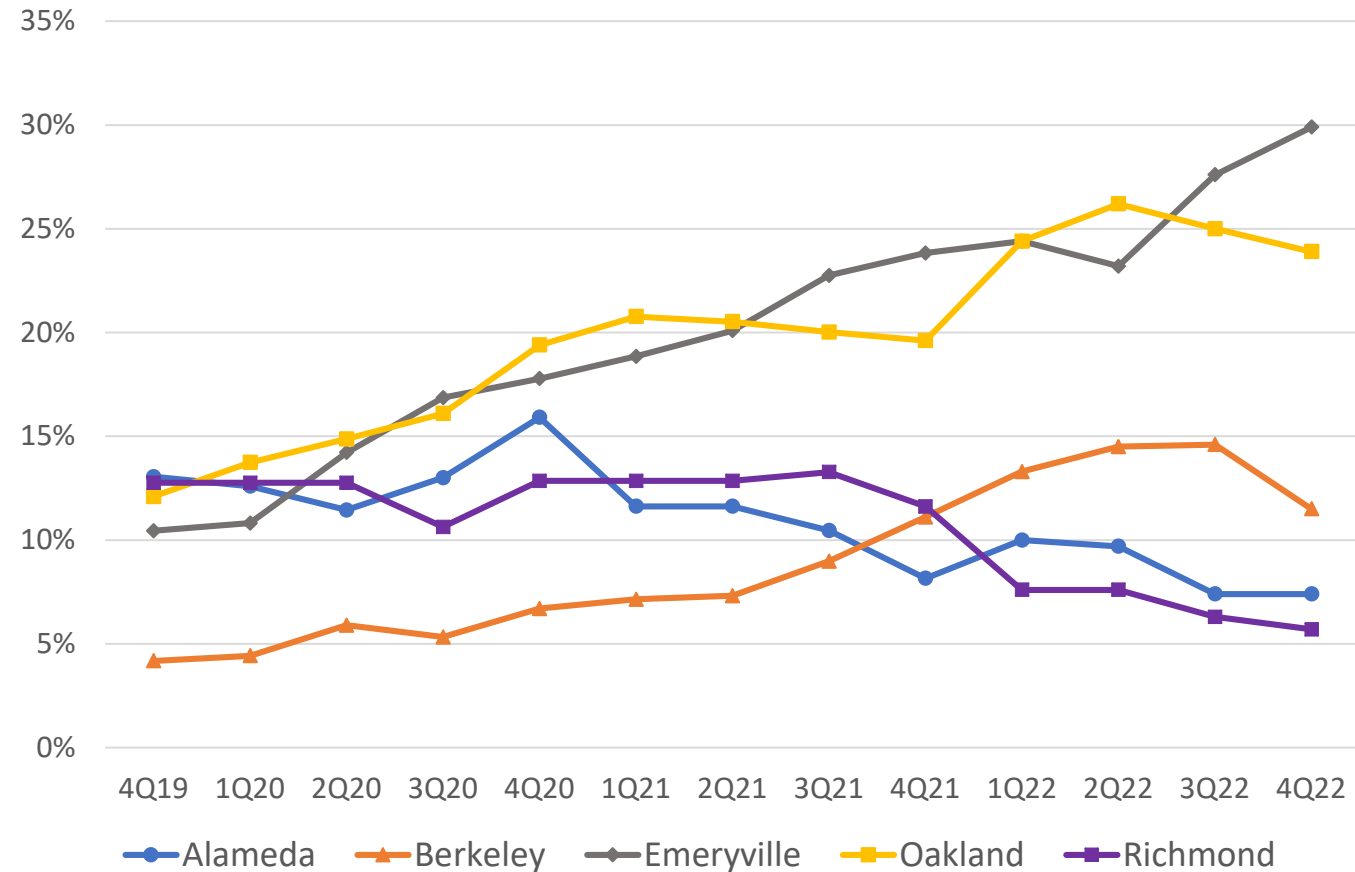
Office trends & transactions



Q4 2022 Office Market, Berkeley	Indicators
Total Inventory	3,449,141 SF
Under Construction	611,800 SF
Availability Rate	11.5%
Qtr Gross Absorption	2,112 SF
Qtr Net Absorption	84,666 SF
YTD Net Absorption	55,844 SF
Average Asking Rent	\$3.96 / SF

Source: Newmark Cornish & Carey, 4Q22 Greater Oakland Office Market Report

Office Availability, East Bay Cities Q4 2019 – Q4 2022



Source: Newmark Cornish & Carey, 4Q22 Greater Oakland Office Market Report

Commercial Activity

Office trends & transactions



New Developments for R&D

Berkeley Commons (600 Addison St., Berkeley, CA) is a new state-of-the-art life science campus located on the West Berkeley waterfront. Construction is well under way on the two buildings that will take up the majority of the campus, with the Addison Building offering 305,000 RSF and the Bancroft Building offering 234,000 RSF. The property will also feature expressed balconies and native plant gardens and will be LEED Gold certified. Leasing will begin in 2023.



Foundry 31 (3100 San Pablo Ave) officially opened this year, having undergone rapid renovation in 2022. The property was bought in 2021 by Oxford Properties Group to be converted into lab and life science space. The property currently offers 90,000 SF of flexible office and lab space, with plans to expand to another 120,000 SF in the next few years. Leasing is now open!

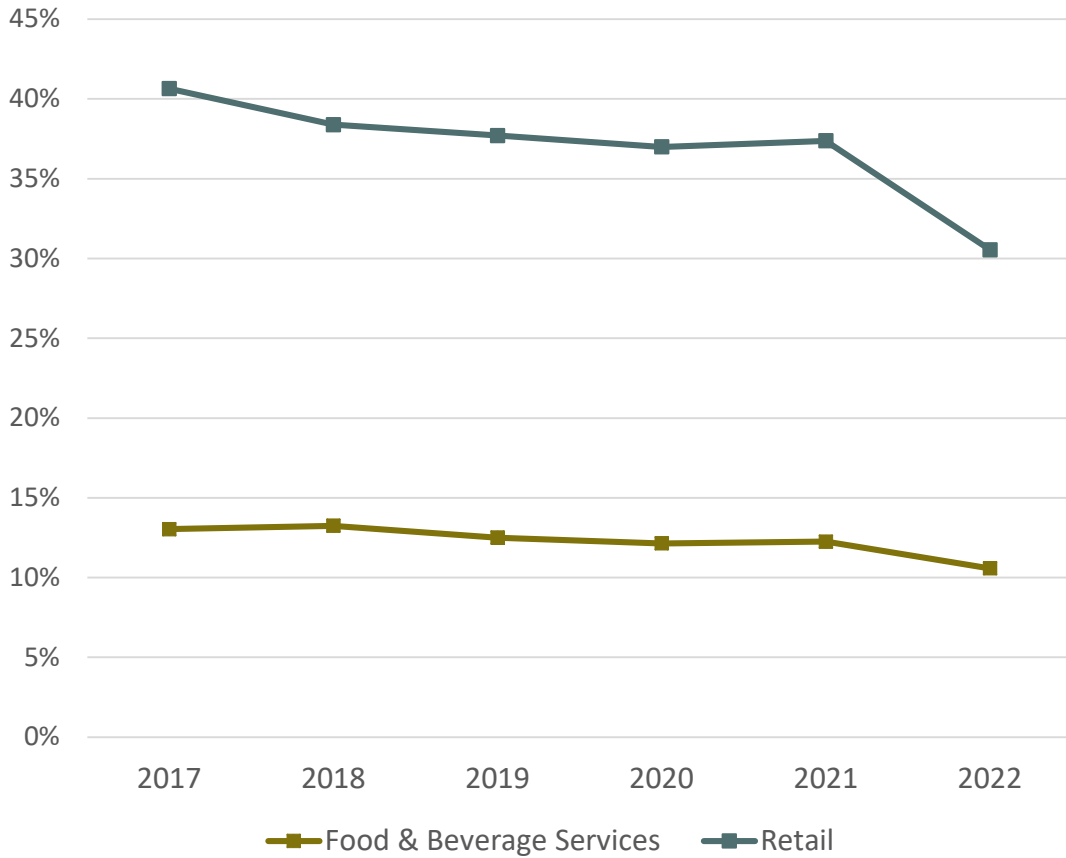


Commercial Activity

Commercial trends & transactions



Citywide Commercial Inventory by Select Categories & Square Footage, 2017-2022



Source: OED, Q3 2022



Retail space available in Elmwood (2946 College Avenue). Photo: Gordon Commercial Real Estate.



Masa Ramen Bistro opened in Downtown Berkeley in the fall of 2022. Photo: Jason F, Yelp.

Retail saw the biggest drop as a proportion of total commercial inventory, decreasing by 7 percentage points over the last year. Neighborhood commercial districts like Solano, North Shattuck, and Elmwood saw little decline in retail square footage over the last year, whereas Downtown saw a decline of about 7 percentage points. (The citywide drop in proportion of retail commercial inventory could be due more to the rise in office and non-retail square footage than a decrease in retail businesses.) Food and beverage also saw a slight decrease as restaurants have continued to recover from the pandemic.

Commercial Activity

Spotlight: West Berkeley Real Estate Prices



	Manufacturing	Warehousing (traditional)	Warehousing (Advanced Manufacturing / R&D)	Life Sciences/ Lab	Office	Retail
Rents per sq. ft. (monthly)	\$0.78 - \$1.88	\$0.90 - \$2.00	\$1.49 - \$2.25	\$2.75 - \$7.44	\$2.50 - \$3.25	\$3.00 - \$3.25

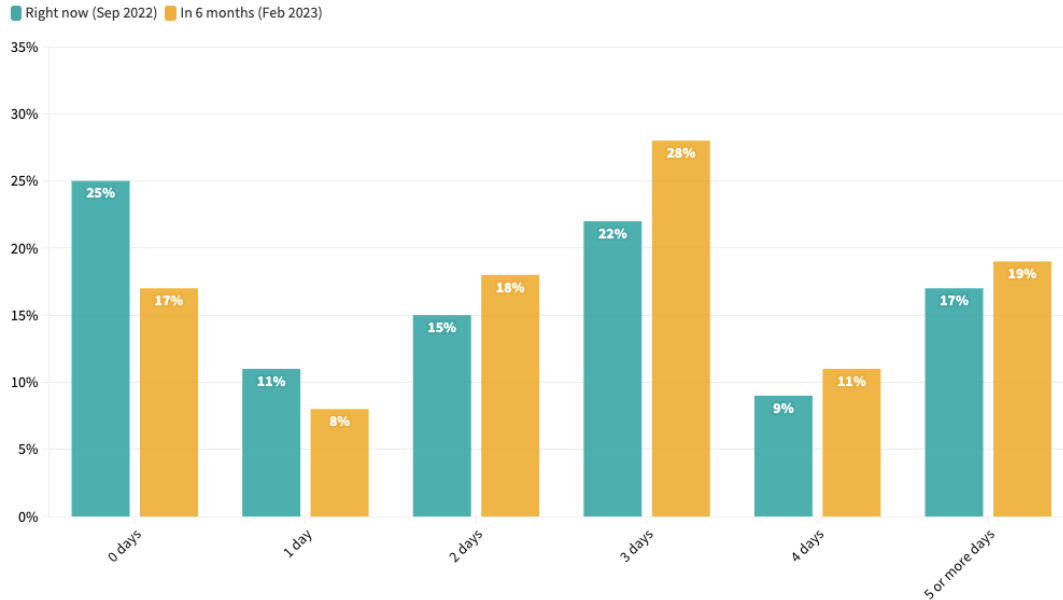
Costs per square foot for West Berkeley commercial properties vary dramatically based on whether they are based on *sale* or *rental* price and also based on the property age, quality, embedded operating systems, submarket location, and other included amenities or assets. Pricing range is also affected by total rented square footage, with smaller spaces (such as the type that are prevalent in West Berkeley) tending to drive a higher price per square foot.

Commercial Activity

Commercial trends & transactions

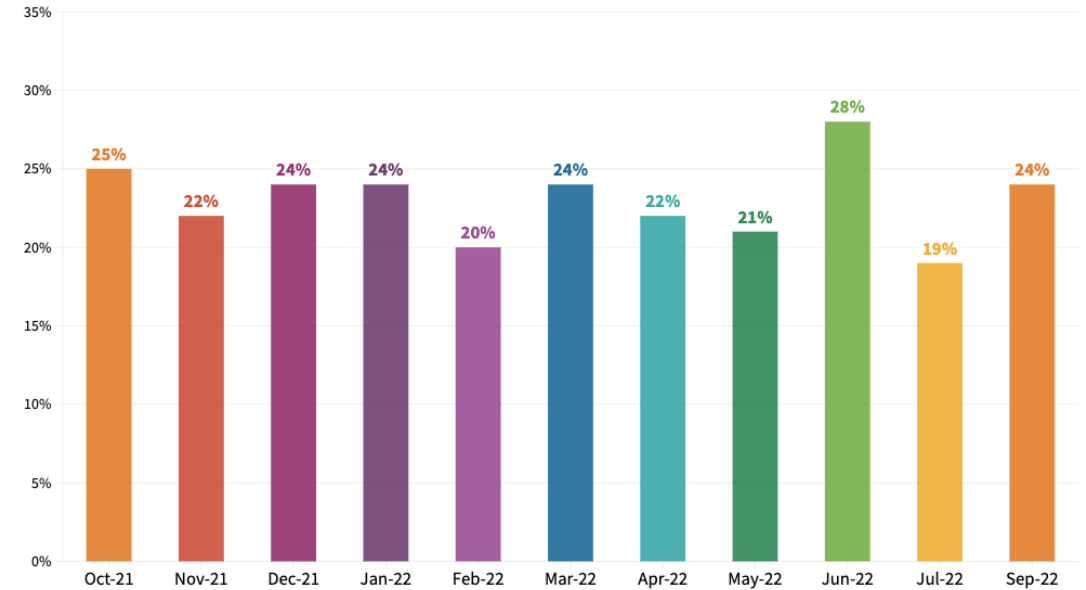


In six months, what is your best estimate of the frequency your Bay Area workforce comes to the workplace each week?



Source: Bay Area Council Employer Network Poll - September 2022

What is your best guess at the percent of your Bay Area workforce that will be fully remote post-pandemic?



Source: Bay Area Council Employer Network Poll – September 2022

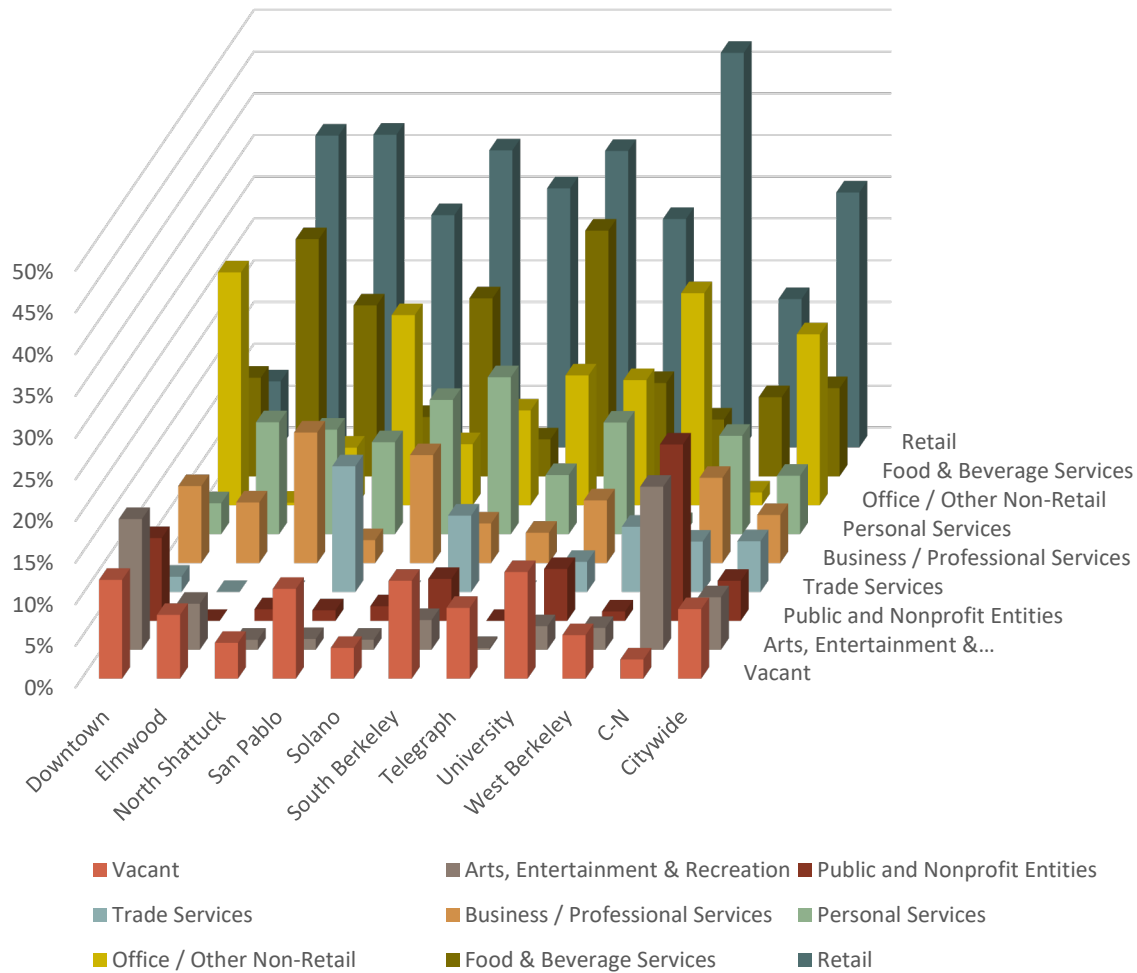
A September 2022 Bay Area Council survey of Bay Area employers found that the majority of workers still don't come into the office every day, and 25% don't come into the workplace at all (which is only a slight drop from one year ago when employers said 28% of their workforce don't come into the workplace at all). Employers expect this to fall slightly in the next six months to 17% working zero days in the office, with 76% of their workers traveling into the workplace at least two days a week by February 2023. Since October 2021, employers have not altered their expectation very much for the percentage of workers working remotely—it has hovered around 25% over the last 12 months. With remote and hybrid work patterns becoming the new norm, demand for office space may begin to level off in the Bay Area.

Commercial Activity

Commercial districts & vacancy rates



Ground Floor Commercial Occupancy By Category, 2022 Q3



Source: Berkeley OED

Citywide, the ground floor commercial vacancy rate has increased to **8.4%***, an increase of 0.1% since Q3 2021. San Pablo has experienced the highest jump in vacancy rate in the last year, while Elmwood and Solano have both dropped to pre-pandemic vacancy rates.

Vacancy Rates by District, Calculated by Square Footage, 2017-2022

District	2017	2018	2019	2020	2021	2022
Downtown	4.6%	3.1%	5.1%	9.9%	15.7%	11.9%
Elmwood	5.4%	7.3%	7.3%	10.9%	10.9%	7.7%
North Shattuck	0.4%	1.7%	0.7%	4.3%	4.3%	4.3%
San Pablo	5.5%	4.9%	4.6%	4.8%	7.9%	10.8%
Solano	4.8%	4.1%	2.6%	6.7%	4.4%	3.7%
South Berkeley	9.6%	9.7%	7.6%	10.1%	8.8%	11.8%
Telegraph	7.1%	7.9%	4.4%	17.2%	12.6%	8.5%
University	12.0%	11.0%	7.8%	11.0%	9.1%	12.8%
Neighborhood Commercial (C-N)				7.3%	3.2%	2.3%
West Berkeley	1.9%	3.7%	5.8%	3.7%	4.7%	5.2%
Citywide Avg.	4.6%	5.0%	5.4%	6.9%	8.3%	8.4%

*Typical commercial district storefront vacancy rates range from 4-8% due to natural market churn. The high vacancy rate in Q3 2022 can be attributed to the ongoing effects of the COVID-19 pandemic with many businesses not renewing their leases facing economic downturn.

Source: Berkeley OED

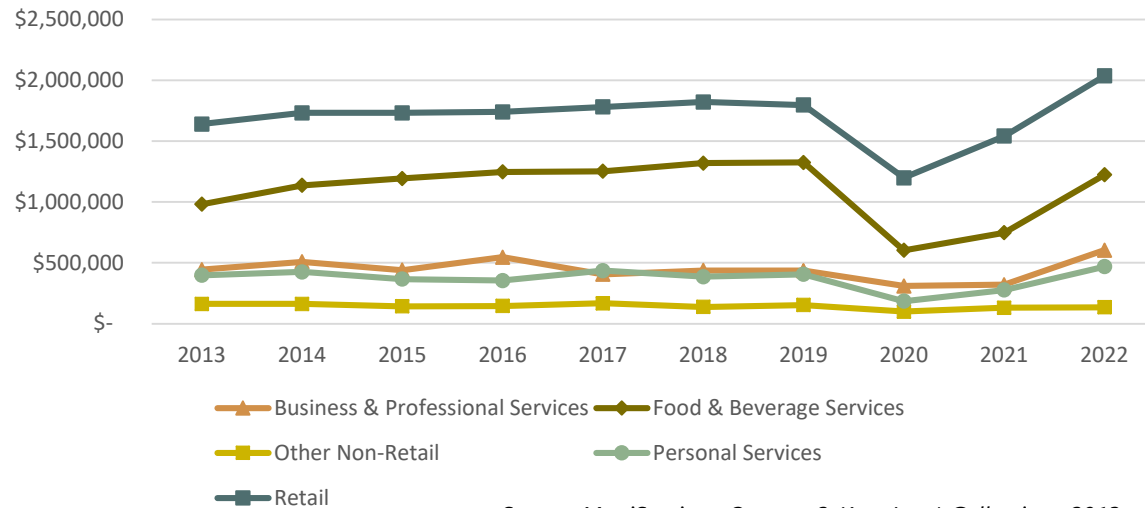
Commercial Activity

Sales tax revenues in 2022



Total Annual Sales Tax Revenue - Past 4 Quarters	Q3 2020- Q2 2021	Q3 2021- Q2 2022	Change
City of Berkeley	\$13,361,873	\$16,385,109	22.6%
Alameda County (total including cities)	\$369,540,764	\$416,849,170	12.8%
State of California	\$8,332,085,544	\$9,292,057,968	11.5%

Berkeley Q2 Sales Tax Revenue by Business Category



Source: MuniServices, Quarter 2 (Apr-June) Collections 2013 to 2022

Total City of Berkeley Q2 Sales Tax Revenues



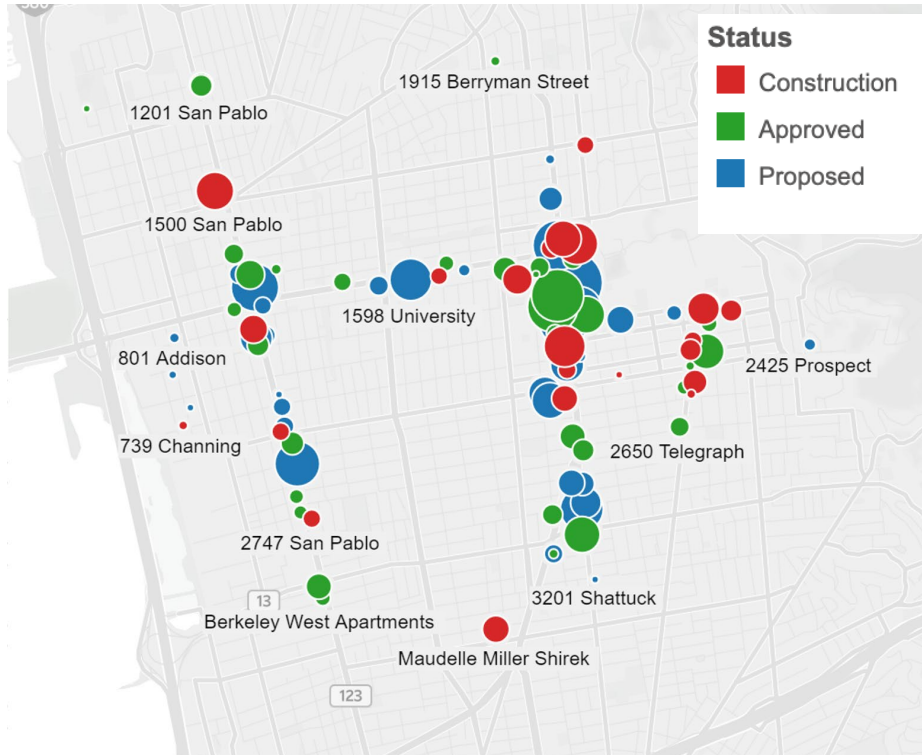
Source: MuniServices, Quarter 2 (Apr-June) 2017 to 2022, Nominal Values

In Q2 2022, the *Retail* subsector was the largest contributor to the city's sales tax revenue (45.6%), with *Food & Beverage* second (27.4%). As the city continues to recover post-pandemic, sales tax revenue also continues to recover. Compared to Q2 last year, sales tax revenue across business categories is up 44% and has surpassed pre-pandemic revenue. Since the early days of the pandemic, total Q2 sales tax revenue has increased by 70%. The increase in Q2 sales tax collection was largely due to significant increases in the *Food and Beverage* sector (up 63.6% from Q2 2021), *Retail* (up 32.1%), and select sub-categories in the *Business & Professional Services* sector, i.e. *Bio R&D* and *Light Industry* (up 88.6%).

Development & Housing Construction & pipeline



Berkeley Multi-Family Residential Developments, 2022



Housing Development Pipeline

From 2015 to 2021, permits for 3,744 housing units have been issued. Berkeley has exceeded its state mandated goal of 2,959 total units permitted for 2015 to 2023, although the City has met 35 percent of its below-market rate allocation. 85 percent of the permits issued have been for market rate units.

Source: [Map](#) Red Oak Realty, updated November 2022; City of Berkeley Office of Planning, November 2022

Pipeline Project Highlights



Medak Center at 2009 Addison St. is a new, seven-story artist housing development that opened this fall. In addition to 45 apartment units, the building includes two workshop spaces and an outdoor terrace. The building will house visiting artists and 15 young professionals who are awarded a fellowship each year.

Riaz Capital is preparing plans for two buildings in South Berkeley: one six-story, 174-unit building with 1,900 square feet of ground floor commercial space at 3030 Telegraph Ave. and another seven-story apartment building at 2300 Ellsworth St.



Source: SF Business Times and Berkeley Rep Press Release 2022.

Development & Housing

Rental costs & sale prices



Housing Prices in Berkeley, 2017-2022



Sources: Redfin, and City of Berkeley Rent Stabilization Board

Median Sale Price, Single-Family Homes, Dec 2022	
Alameda	\$1,337,500
Albany	\$1,300,000
Berkeley	\$1,379,000
El Cerrito	\$1,058,000
El Sobrante	\$730,000
Emeryville	\$833,000
Oakland	\$817,500
Richmond	\$640,000
Piedmont	\$2,250,000
San Leandro	\$850,000

Source: Redfin

Home sales and rental prices remain high

Berkeley's single family home values decreased 12.2% from December 2021 – December 2022, with a 52% decrease in sales volume over the same period. 27 single family homes were sold in Berkeley in December 2022, with an average of 20 days on the market. Since the pandemic began in March 2020, the median price of single family homes in Berkeley hit an all time high (\$1,910,000) in April of 2022. For rentals, between Q3 2021 and Q3 2022, Berkeley's **market rate rents** for studios increased by 12%, rising to an average of \$1,784 per month.

Sources: Redfin, and City of Berkeley Rent Stabilization Board

**Mask required
if unvaccinated**



CITYOFBERKELEY.INFO/COVID19

Sustained Economic Recovery



Business & Arts Support

Small business revolving loan fund & resiliency loan program



Revolving Loan Fund (RLF) Portfolio	Total Loans	Active Loans
Number of RLF Loans	45	8
RLF \$ Loaned	\$2,778,417	\$795,000
Total Non-RLF \$ Leveraged	\$7,453,083	\$2,303,486
Private Sector Jobs Created	204	50
Private Sector Jobs Saved	100	76

COVID-19 Resiliency Loan Program (RLP) Portfolio	Active Loans
Number of RLP Loans	16
RLP \$ Loaned	\$682,000

Source: Berkeley OED, January 2022

Current RLF Borrowers Include:

NABOLOM BAKERY



Supporting Berkeley's existing small businesses

RLF recipient *Nabolom Bakery* is a family-friendly restaurant located in the Elmwood district that specializes in baked goods and pizza. Nabolom has been in operation in Berkeley since 1976!



RLF recipient *Cupcakin'*, with a location on Telegraph Ave. and Shattuck Ave., has been selling gourmet cupcakes in Berkeley since 2014. As an advocate for sustainability and the natural food movement, owner Lila Owens found Berkeley to be the perfect place to set up shop.



Business & Arts Support

Arts and Culture in Berkeley



Berkeley's Cultural Vibrancy

Arts and culture is important for Berkeley's identity and economy. Berkeley is home to over 150 arts and culture nonprofits who together generate approximately \$165 million annually in economic activity and provide about 6,500 jobs. While much of this economic impact stalled during the pandemic, the vibrancy of Berkeley's arts sector is returning to pre-pandemic levels with most theaters, music venues, museums, galleries, and other arts organizations opening back up to the public. As we continue the recovery from the COVID-19 pandemic, Berkeley is in a strong position to continue to be an international destination for arts and culture.

Civic Arts provides grant funding to support a vibrant arts ecosystem, strengthen diverse cultural expressions, and ensure equitable access to arts and culture throughout Berkeley.

City of Berkeley Civic Arts Grants Awarded in 2022:

- 11 individual arts projects (\$44,000)
- 33 festivals (\$194,299)
- 70 arts organizations (\$458,697)



Business & Arts Support

Berkeley Arts Recovery Grants



Artists and Cultural Practitioners

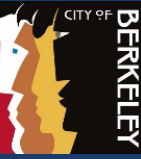
The Berkeley Arts Recovery Grants for Artists & Cultural Practitioners made available \$275,000 in the form of grants up to \$10,000 to help the City's artists and cultural practitioners. This grant program responded to the economic disruptions resulting from the COVID-19 public health emergency in order to help mitigate the ensuing financial needs of individuals resulting from the pandemic. Grants ranging from \$1,250 to \$8,000 were awarded to 114 artists and cultural practitioners. Grant award disbursement took place in May and June 2022.

Organizations and Festivals

The Berkeley Arts Recovery Grants (BARG) for Organizations & Festivals were funded through a one-time allocation by Berkeley City Council of American Rescue Plan Act (ARPA) dollars to support the recovery of Berkeley's arts sector. The fund provided one-time grants to all qualifying Berkeley-based nonprofit and fiscally sponsored arts organizations and festivals. BARG grant funding was used to mitigate an arts organization's economic loss from COVID-19, implement COVID-19 prevention tactics, and procure consulting and marketing services to support the organization financially for future sustainability. 74 grant awards ranging from \$3,000 to \$33,000, with an average grant award amount of \$20,734 per organization. Grant award disbursement took place in February and March 2022.

Business & Arts Support

#DiscoveredinBerkeley business marketing campaign



The **Discovered in Berkeley** marketing campaign highlighted businesses supporting environmental sustainability, social equity, local production, and artistic creativity. Spotlighted companies design and craft new solutions for the healthcare and agriculture industries, handmade artwork, specialty gifts, and unique experiences for dining, lodging and self care.

Throughout 2022:

- More than 3,300 new users visited the campaign's microsite, DiscoveredinBerkeley.com
- [Instagram @DiscoveredinBerkeley](https://www.instagram.com/DiscoveredinBerkeley) achieved nearly 900 followers (and #DiscoveredinBerkeley exceeded 4,400 uses)
- 10 *Berkeleyside* articles generated 23,000+ page views and the corresponding banner ads generated 829k+ impressions and more than 900 "clicks"



#DISCOVERED in BERKELEY
Both hotel guests and locals enjoy microbrews and rooftop views at the **Aiden by Best Western @ Berkeley**.

Learn more about Berkeley's innovative businesses >



#DISCOVERED in BERKELEY
BERKELEYHOLIDAYS.COM Gift Guide
Spoil your friends and family with stained glass from **Snoring Orange** or creative gifts from other **Berkeley Holiday Gift Fair** vendors.

Support local businesses this holiday season >



#DISCOVERED in BERKELEY
West Berkeley's **Caribou Bio** is developing novel technologies to treat cancer.

Learn more about Berkeley's innovative businesses >



#DISCOVERED in BERKELEY
Find local gifts for moms, dads and grads at Berkeley small businesses on Fourth Street like **Paraiso Plant Studio**.

Learn more about Berkeley's innovative businesses >



#DISCOVERED in BERKELEY
At the **Berkeley Potters Guild** in West Berkeley, **Kiyomi Koide** crafts pieces that make eating and drinking more personal and intimate.

Learn more about Berkeley's innovative businesses >



#DISCOVERED in BERKELEY
Berkeley's **Transcendentist**, a green-certified dental business, not only pampers patients, but goes easy on the planet, too.

Learn more about Berkeley's innovative businesses >



#DISCOVERED in BERKELEY
BERKELEYHOLIDAYS.COM Gift Guide
Spoil your friends and family with artwork from **Laurel Burch Studios** or creative gifts from other **Berkeley Holiday Gift Fair** vendors.

Support local businesses this holiday season >



#DISCOVERED in BERKELEY
Find parklet dining, community, 800+ games, and beers on tap at **Victory Point Cafe** in Berkeley's North Shattuck neighborhood.

Learn more about Berkeley's innovative businesses >



Business & Arts Support

#BerkeleyHolidays Gift Guide and marketing campaign



- The Berkeley Chamber held its [4th Annual Holiday Gift Fair](#) at Hotel Shattuck Plaza on December 8th. The event featured 30 merchants selling everything from eco-friendly goods, clothing, jewelry, books, personal services, art, coffee, spices, and more. Despite stormy weather, it drew more than 300 attendees.
- Gift bags were given to the first 100 attendees and included promotional goods from a dozen local businesses, providing a unique marketing opportunity for those who participated.
- The fair was featured in [Fun Cheap East Bay](#), as well as the [SF Chronicle's](#) list of top holiday events, and Berkeley Times featured photos of the fair in its December 15th print edition.
- The [#berkeleyholidays](#) hashtag was used in hundreds of unique posts on Instagram and Facebook marketing for the fair and online gift guide reached 6000+ people, with 400+ event responses.
- The online BerkeleyHolidays.com Gift Guide was updated to feature 40 businesses, including two dozen women-owned businesses and 8 minority or black-owned businesses. The site drew several thousand unique visits.



Berkeley's Future Talent Pipeline

STEM CareerX Tours



As part of the Berkeley Startup Cluster's *Berkeley Ventures, Berkeley Values* programming, and with support from the Institute for STEM Education at Cal State University, dozens of Berkeley High School (BHS) students have had an opportunity to see how their science, technology, engineering and math (STEM) skills will apply in the workplace through a series of tours at local science and technology companies during the fall 2022 semester.

Novel Farms Tour

At West Berkeley foodtech startup Novel Farms, 15 BHS students heard from co-founder Nieves Martinez-Marshall about how she went from getting her PhD in molecular biology to launching a startup in Berkeley. A hands-on experiment prepared by co-founder Michelle Lu, CSO, also showed how to make gourmet food in a lab setting.

Bakar BioEnginuity Hub Tour

At UC Berkeley's Bakar BioEnginuity Hub, 30 BHS seniors learned about the history and mission of the beautiful Bakar Labs facilities from UC Berkeley's Chief Innovation & Entrepreneurship Officer, Professor Rich Lyons. They then had a near-peer networking lunch with UC Berkeley bioscience students and participated in a collaborative neuroscience innovation exercise with Professor Daniela Kaufer.



Berkeley High School students visit Novel Farms.



City of

BERKELEY

Office of Economic Development (OED)

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

<https://www.cityofberkeley.info/oed/reports/>

Contact OED for more information:

oedmailbox@cityofberkeley.info