



City of San Leandro

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Report

Scenarios for San Leandro

Stories About Our Future

by Judi Clark and Fred Reicker,
with Ptah Asabi and Carolline Holanda

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What are scenarios?

*Scenarios don't predict the future so much as they illuminate it. They are also a powerful learning device since they let us envisage both welcome and unwelcome futures. They offer a way to plan positive change.*¹

Scenarios are used as part of strategic planning exercises to explore and develop a better understanding of various trends and interacting forces that are at work in our evolving business environment. Scenarios are devices for ordering one's perceptions about alternative situations in which one's decisions might be played out. They work as focused, divergent hypotheses through narrative form.

Why did San Leandro engage in this activity?

San Leandro is at a pivotal position in becoming a vital and thriving participant in a global economy that depends on and is driven by the high-speed transmission of data. To achieve its potential, the City's leaders and residents must understand some of the political and economic forces that can shape, or hinder, future development in this digital era, and the outcomes that can be anticipated in a given environment.

Toward this end, 28 members of the community, representing business, non-profits, neighborhood associations, schools and City government engaged in an intensive one-day scenario planning exercise which produced outcomes that may be considered in planning the City's future. This event was held on June 1, 2012, under the direction of Judi Clark, who has been working with scenarios and future-thinking for 14 years. The authors have discussed and prepared this report during the ensuing six weeks.

San Leandro has two sterling opportunities and a set of assets (discussed later) to both grow its business sector and spur the revitalization of the community and region as a whole: a confluence of major medical facilities that includes a new Kaiser Hospital in the city, and the San Leandro fiber loop. Therefore, the focal question for our scenarios, developed with City Manager Chris Zapata, was how to take best advantage of these world-class opportunities that are before us, especially in terms of the impact on the town's infrastructure (streets, utilities, environment and the marina), general sales and

¹ McCorduck, P., & Ramsey, N. **The Futures of Women: Scenarios for the 21st Century.** (1996) Reading, MA: Addison-Wesley.

transportation taxes, reaching out to schools and our under-served population, creating welcoming public spaces, and our message and marketing as a City.

New Kaiser Hospital

Kaiser Permanente is building a new “green” hospital (designed for efficient water and energy use, and built from 97% recycled materials), scheduled to open in 2014. The impact of the new hospital in San Leandro will increase residency, as well as employee and patient traffic and parking. This increase also raises the need for better public transportation for employees to commute to work. The hospital’s construction has created 3,000 new jobs for construction workers, and when complete it will have 2,500 hospital employees.

This new medical facility will create a host of supportive and related business opportunities for third parties. Many of these ancillary businesses will be heavy users of data services that are facilitated by the San Leandro fiber loop.

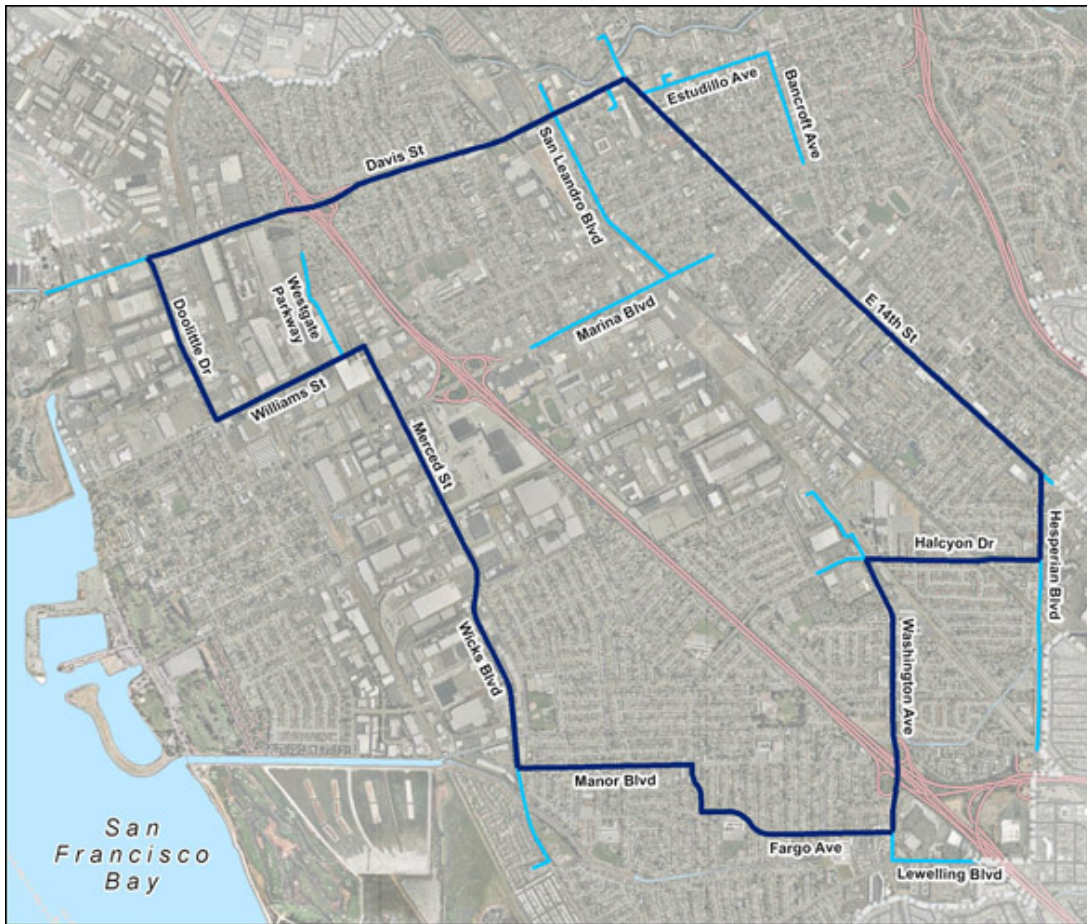
The San Leandro fiber loop

The fiber loop is a project of Lit San Leandro and San Leandro Dark Fiber, led by Dr. J. Patrick Kennedy, as a private-public partnership with the City. Its purpose is to modernize the City’s digital infrastructure and engage in future-focused economic development of our high tech industrial and manufacturing resources. The project centers on the installation of a private fiber optic cable network² along an 11-mile loop around the City that will serve our manufacturing, industrial, and commercial areas with affordable, very high-speed connections to the Internet.

The benefits of the project are two-fold. First, it will provide needed ultra-high-speed Internet connectivity and flexible capacity for OSISOFT and other local, growing high-tech businesses, permitting major employers to remain in the City and expand their companies. Second, it will provide the foundation necessary to attract new businesses that might otherwise gravitate to Silicon Valley or San Francisco. Such businesses include software, graphics, technology and green-tech companies that may have an industrial or manufacturing component. These businesses will be a substantial source of jobs and revenue for the City going forward.

² Fiber Optic systems transmit data along glass “wires” with pulses of light from lasers, offering speeds that are at least 100 times as fast as the level of broadband service typically offered to homes. Existing City conduits will carry most of the network, which will be the only one of its kind in the East Bay. A link with BART’s telecommunications infrastructure will connect the loop and surrounding communities to the Internet and the outside world.

The San Leandro Fiber Loop



Scenarios for San Leandro

We are not yet living in the future. Making high-stakes decisions under conditions of uncertainty is aided by developing alternative stories about plausible futures. We can test our plans and strategies, and how well they will work in each scenario—much as an aircraft designer tests a new plane in a series of wind tunnels. By drawing on our heritage and strengths, we can shape the future to our advantage while the City strives to redefine itself after its manufacturing and industrial heyday.

It all started in the late 19th and early 20th centuries when the local economy was fueled largely by agriculture, both crops and machinery.”³ San Leandro’s first manufacturing cluster may well have been the San Leandro Plow Company on Davis St. It consisted of a foundry, machine shop, wood shop, plow factory and paint shop. Daniel Best acquired the business, renamed it, and began manufacturing a wide range of machinery used on the state’s

³ A Garden Grows in Eden. San Leandro Historical-Centennial Committee (January 1, 1972). San Leandro, CA. p. 83.

sprawling farms. His machinery, especially the huge, steam-powered traction engines, achieved international acclaim.

Daniel's son, C. L. Best, later orchestrated a merger with rival Holt Manufacturing in 1925. The newly formed company, the Caterpillar Tractor Company, was headquartered in San Leandro and became an icon in its industry.

Another surge of growth began post-war. Perhaps it was sparked by something as routine as a decision by the City Council in 1947. That January, the Council, for a fee, approved the use of the Davis Street sewer for a new Chrysler Company plant (a prophetic project analogous to the loop?). Residents soon thereafter approved a \$900,000 sewer bond, and in July the City acquired a site for the first sewage disposal plant in this area.

A month later, far-sighted City officials annexed the first of more than 80 industrial properties which were to boost assessed valuation to about \$250 million during the next 20 years. The higher valuations generated the revenues to pay for the growth in city operations and services, while taxes went down.⁴

San Leandro's business and manufacturing community flourished. Between 1947 and 1956, the City attracted 255 new companies that employed 15,000. Its roster of major employers included Caterpillar, Dodge/Plymouth, Friden Calculator, California Packing Corp., General Foods, Kellogg, Western Electric and Hudson Lumber.⁵

San Leandro's great assets were an inducement for investment: prime real estate, the sewer plant, rail and utility services, freeways, proximity to Oakland's marine terminals and airport, and a skilled workforce. The Bay Area Rapid Transit, or BART, has since joined the mix.⁶ Industrial development made sense. It still does.

Even though many businesses have moved or closed, San Leandro still has its many assets, notably including our central location in the Bay Area, proximity to three major airports and Oakland/San Leandro's Free Trade Zone, and an abundance of well-located, affordable, under-utilized properties that can be repurposed to attract investment by the next generation businesses. Most importantly, the City's service infrastructure is being augmented with the fiber optic loop required by businesses involved in large, high-speed transfers of data. Big data, says tech journalist and author Michael Malone, "offers measuring precision in science, business, medicine and almost every other sector never before possible. It could ultimately have an impact as great as mass production did more

⁴ Ibid. p. 129.

⁵ Research report by Don Colberg, History Research Volunteer, San Leandro Public Library, June 26, 2012.

⁶ A full overview of the City's assets and resources are described in Lit San Leandro's whitepaper, Introducing Lit San Leandro, An Overview for Real Estate Professionals. <http://www.litsanleandro.com/storage/downloads/LSL-Overview-RealEstate.pdf> (accessed 1 July 2012).

than a century ago—creating a new world of mass personalization of products and services.”⁷

We’re not there yet. Obviously, a shift in priorities is needed and is underway.

A supporting perspective was offered at a *San Leandro by Design* presentation on June 12, 2012. A team of graduate students from Cal State University-East Bay reviewed the results of a semester of field work and research that showed the great array of businesses for which San Leandro, with its fiber optic loop, *can be* the preferred location. Additionally, urban design expert Greg Tung emphasized the potential and necessity for transforming dated industrial and business park areas into Workplace Districts to “capture the 21st century.” This transformation is consistent with the City’s long-standing conviction in the value of its industrial lands and the value that industry brings to the Bay Area.

The City now faces an incredibly exciting but largely unknowable future. Whatever we think the “official future” is, it will not happen. There are too many competing influences. But there are driving forces we do know and must consider as we develop the scenarios of how the City might look if certain trends were followed to their logical ends under certain conditions.

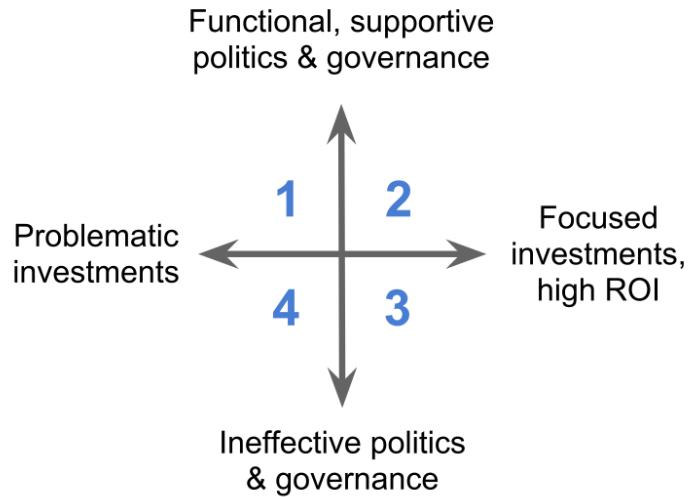
The Quadrants from our one-day exploration

In a thoughtful and wide-ranging discussion, the scenario planning team identified scores of drivers of our City that could be grouped under one of five broad categories: social forces, changes in technology, the local, regional, state and national economy, environmental concerns, and politics.

The many drivers, forces of different kinds of change in each category, were then assigned a priority by the individual votes of each scenario planning team member. What emerged were a few forces that had higher priority for the group. These forces generally fell into two categories that we considered as most urgent: a functional political system, and access to capital, which we positioned as X and Y axes. That created four quadrants or four environments used to imagine how the future might emerge.

The City is at the intersection of the axes, where we are right now in time. During the next several years, we expect to move into various aspects of these quadrants, driven by a combination of events. The extremes of each axis are illustrative and not necessarily representative of San Leandro.

⁷ Michael S. Malone. *The Sources of the Next American Boom*. Wall Street Journal, Opinion. July 5, 2012. <http://online.wsj.com/article/SB10001424052702304141204577508403022406864.html>



Time and circumstances will move us in one direction, then another. The national and State economy will not be financially supportive over the next few years as global resources are in short supply. We can contemplate our feet and suffer the consequences, or choose to look forward to innovation, investment, and challenges from new developments, evolving technologies, and alternative sources of capital. Our stories attempt to capture the possibilities that are realizable within the next 3-6 years--each are *foreseeable futures*.

Overview of This Landscape

Quadrant 1: Our Home Town

Functional governance but bad investments: revenues are limited, government can't do much.

Quadrant 2: West Side Story

Functional governance and investments: a productive partnership among business, government and the community.

Quadrant 3: No "There" There

Fractious governance but good investments: money funds undesirable politics and policies; special interests are catered to.

Quadrant 4: Potterville

Indifferent governance and investments: revenues are being siphoned off and poorly spent. Special interest money is inordinately influential and damaging.

Each of the following four scenarios is inhabited by "residents" whose lives and attitudes reflect the environment in which they live.

The Four Scenarios

[1] Our Home Town

Functional governance but bad investments: revenues are limited, government can't do much.

The situation involves united, cohesive and effective governance and politics, but investments are unsuccessful, and funds are managed poorly. There is good intent, and residents vote, but elected officials can't fulfill their campaign promises or satisfactorily discharge their responsibilities because the City lacks the resources to promote development and attract new businesses. Technology-oriented investments and business growth don't materialize. Manufacturing, industrial, and commercial properties remain underused, resulting in lost employment and revenue opportunities. Demoralizing, blighted properties become public nuisances. A divide between the City elite—government and business—and the middle/working class opens up, exacerbating social/economic inequities. Under- and unemployment increases, placing a greater burden on the community's non-profit services. However, funding for those services is in decline as contributing businesses leave the area. Vacancy rates rise, rents plummet. Residents move or take their spending money elsewhere. The City treads water, maintaining the status quo as best as it can.

Joe Journeyman is somewhat upbeat about the community, though he still has to commute to his job site. He doesn't have much time to spend with his family or focus on politics. Joe's wife meets with the Mom's Club twice a month at the library during volunteer Storytelling times. She reports back to Joe which then keeps them politically active. Joe becomes a burr under the saddle at City Hall, agitating and expressing his frustration about not being able to get a job locally, the deteriorating environment, and the rise in crime.

Sam Scientist and his partner, owners of their home, are very active in their neighborhood association that offers a variety of programs: Nights Out, earthquake preparedness, and neighborhood awareness/safety. What keeps Sam here is the hope that the government situation will improve. His travels have narrowed considerably: he drives to BART then rides to his work at the Lab in Berkeley, then commutes home again. Sam doesn't have much time or reason to venture far from home, but does spend his disposable income elsewhere.

Vincent Van Arts moved here a year ago but now he's seeing funds dwindle that have supported his work. He has a part-time job teaching art, and has been seeking full-time work for the last year. He sells some of his art online to help make ends meet, but times are tough. He rides his colorful art bike to all open City meetings. He has been looking for signs of an arts scene and more sustainable living elsewhere.

Patty N. Tre-Preneur's new business in DNA research is in trouble, bordering on failing. Investment is rare, potential cluster businesses aren't showing up. Growth is constrained because she can't get new instruments or find local workers. The social scene in San

Leandro isn't that comfortable or enriching. The Marina development never got funded or underway, so the fiber loop isn't reaching her area. Her business communications needs remain unserved, so she's now looking to move her business elsewhere.

[2] West Side Story

Functional governance and investments: a productive partnership among business, government and the community.

The situation in this quadrant: Politics and governance are united, cohesive and effective. Leadership reflects a strong community, and is better able to craft a vision and mission for the City. Investment is properly focused, leveraged well; return on investment is high. Transparent governance encourages planning and facilitates public-private partnership funding that attracts other investments and grants. The business community is diverse, energetic and generates a strong revenue flow. The viability of San Leandro's tech business community is enabled and supported by BART's link to other tech centers. The City can encourage and support the development of its own innovation and learning centers. A vibrant Marina, now connected to the loop, boasts a new research park. Wi-Fi hotspots around town enable mobile development and interactivity. New mini-public areas (parklets) are undertaken to further improve bikeability and walkability. A climate for the proliferation of ideas exists.

Graduation rates are high and unemployment and crime are low. Residents have a sense of security and well-being. The City's young people can envisage a future for themselves, including entrepreneurial and leadership roles. The arts and culture scene is thriving. A sense of community is promoted by various festivals (including the renewed Cherry Festival), which also attract people from other cities and boost San Leandro's reputation. Relationships with the business community are enhanced, which facilitates the marketing of the City as a new high-tech hub on the West Coast.

Carla Coder is new in town, having been hired to work at a new company that is just moving out of coworking (shared, connected office and meeting) space and into a new facility in the northwest edge of the City. She designs and creates the software for wearable devices that communicate with their environment: glasses with face recognition and mapping capabilities, gaming bracelets for interacting with other local players, and more. She's looking forward to a conversation with a new, small health food store in town that has expressed interest in creating a shopping list application for mobile phones that will interact with home refrigerators. This side project will help her demonstrate local desire for her favorite specialty organic foods that the store owners are hesitant to carry. Carla's boyfriend just applied to OSISOFT for one of many new job openings.

Joe Journeyman has a well-paying job at The Crossings construction site. As his commute is a shuttle ride across town, he has time to take his kids to the at San Leandro Hardware Hackerspace on Davis near Doolittle. He can now afford to improve his home, making room

for his family. Joe's wife is taking online courses, preparing for her degree in Digital Design. The family loves researching (with videos and virtual guided tours) where their next camping vacation will be.

Emma Elderly's family lives far away, but they are all virtually "at home" with their new teleconferencing systems. Emma has a minor heart condition and she fears falling like her friend did last fall, so she's having a "health in place" system installed to monitor any sudden changes in her body (measured by a cute heart-shaped pin with an accelerometer and other body monitoring devices). If needed, the system alerts the medical team assigned to her care. Emma's daughter is pleased, having discovered that they qualify for a residential tax break for this system.

Sam Scientist has always been fond of the smell of books, and now has a special place in his heart for the Library's new Wi-Fi-enabled meeting rooms. It's there that he exercises his new interest in holding teleconferences between his colleagues around the East Bay and overseas on wide-ranging topics spanning global politics, developments in bio-nano-materials research, the boundaries of ethical research, and the emerging new economies.

Patty N. Tre-Preneur has just raised funds to start her third company, focusing on research and practical applications for the DNA strands that she created at her last company. Unlike most medical researchers, she's known for licensing her work under Creative Commons⁸ licenses, allowing others to build and re-use her work in innovative new ways. Patty has chosen office space in a new medical complex just south of Marina. She plans to hire 12 new research engineers over the next year, as her current work has several hospitals requesting participation in her clinical trials.

[3] No "There" There

Fractious governance but good investments: money funds undesirable politics and policies; special interests are catered to.

In this environment, politics are ineffective and unfocused. There are solid investment opportunities and activity, but the attitude of business is that "anything goes." Risky investments are permitted, and further investments become risky. In the absence of a viable long-term plan and vision for the City, the business sector drifts and ultimately languishes. The City selectively maintains landscaping and lighting, diminishing the overall quality of life. Zoning is inconsistent, and permitting is convoluted and expensive. Public space is converted to private use. Public resources are privatized. There is a disregard for regulation and an increased tolerance for pollution. Trust in City government is slowly lost.

⁸ Creative Commons offers an alternate intellectual property framework, which "develops, supports, and stewards legal and technical infrastructure that maximizes digital creativity, sharing, and innovation." <https://creativecommons.org/>

The City will have the finest technology that money can buy, but it is primarily available to wealthy interests or is privately controlled, leading to the sense of big brother surveillance. Some neighborhoods are gentrified. In other areas, minorities are quickly profiled and fined for minor infractions.

The quality of education declines and dropout rates climb. Corporate philanthropy dries up. The Marina shoreline development includes “glitzy” hotels and expensive retail, precluding access or enjoyment by lower-income residents. Salaries and wages are at the low end, with a consequent negative impact on local retail.

Joe Journeyman works locally at a low-wage contract job that has no benefits. He remained here rather than commuting out so he can spend more time with his family. He doesn’t say much at City Hall meetings in order to protect his job, but secretly he is part of a movement to bring more union labor into the local projects. Joe’s wife is working part-time with a few of her friends for low wages at a local daycare facility. She feels isolated from the largely monied community, is aware of social tensions and is resentful. Two of their kids have truancy problems at school, and both parents feel overwhelmed by life’s problems.

Sam Scientist and his partner live in a nice neighborhood but Sam feels edgy in front of so many surveillance cameras on his street. He sees wealthy people investing in the new Marina gated housing development, a complex which troubles him. He is an activist trying to reform the City’s politics and is thinking of running for political office to “correct” the course. One thing Sam likes is San Leandro’s new white tablecloth restaurants.

Patty N. Tre-Preneur is doing well. Her investments work, but she’s having a very difficult time finding skilled workers locally. The work and research at her business is place-based (locally tied to resources around Kaiser). She runs for political office—and buys influence—to gain a competitive edge and to rectify zoning issues. Her neighborhood along the Marina is being invaded by various questionable interests (adult entertainment, gambling, etc.) just south of the gated community.

Jack and Jill, teen-age friends, try to keep each other safe from the rivalry between local gangs. They’re both talking about wanting to find “better” opportunities but they aren’t sure what those might look like. They have a sense of what would be right but they don’t see it in the community. They walk to work through a high crime area. Jill has a low-paying job at a restaurant, and Jack worked as a busboy until a few months ago when he joined the military. Recently, Jill turned to selling drugs on the side.

[4] Potterville

Indifferent governance and investments: revenues are being siphoned off and poorly spent. Special interest money is inordinately influential and damaging.

Note: while the Potterville scenario seems unlikely, it was a scenario developed by the project team and has been included to reflect the totality of the effort.

This quadrant combines incompetent governance and politics with a poor investment climate and low return on investments. The community is apathetic, socially disconnected and isolated. The quality of education is poor and truancy/dropout rates are high. Residents who are able to do so move, to either find work or leave a deteriorating City. Arts and cultural amenities decline or disappear. The City becomes a magnet for undesirables and crime. Residents have no sense of security. The City becomes a technology drop-out, a wasteland, and both the City and our schools lose the opportunity for high-speed Internet access. Residents become less digitally skilled and thus not as employable. They're indifferent to the loop, see no personal benefit, and become aggressively ignorant. As print media and local journalism declines, so does people's knowledge of community news. The digital divide widens, producing a City of digital orphans.

The business sector is frustrated and stagnant, and some companies move or shut down, leaving vacant properties, higher unemployment, and an increased demand for social services. Revenues decline. The City becomes a landscape of blighted industrial/commercial and residential properties. Public safety is compromised, leading to a sense of increased personal risk. Recreational facilities and amenities deteriorate and become unusable. Healthy-living opportunities are lost, having a multi-generational impact. Politicians are motivated by self-interest. The public has no confidence or trust in the government, which is reinforced by news stories of the misuse and misapplication of public funds and widespread corruption. The City Plan and staff lack focus. Poor financial planning leaves many City projects incomplete. Residents, including young people, feel left out and don't participate in the political process.

Joe Journeyman has a long work commute, spends a lot of money for gas, and has less time for softball coaching and spending time with his family. He's frustrated because he wants to change things but can't participate in local politics—he doesn't have the time or money. Joe's wife keeps trying work-from-home schemes but nothing is panning out. Joe's three young children have limited recreational opportunities because undesirables in the neighborhood generally keep them indoors. Both parents are concerned about their children, and Joe's wife is becoming increasingly vocal. Joe isn't able to enjoy his sports interests, and spends more time at one of the many local bars to get away from his wife, who doesn't have another outlet for her concerns. They're both cynical about the city and its prospects, and have a diminished sense of personal security.

Sam Scientist, who works in Berkeley, is very unhappy on two fronts: about the decline in the local arts and cultural scene, and about the non-performance of city government. The value of his home has dropped. Anti-social/anti-gay sentiments are on the rise (aggressive ignorance), and Sam becomes the target of discriminatory activity. He and his partner are planning to move to North Oakland, where it's a little safer and closer to work for a price he can still afford, even though he'll have to sell his San Leandro house at a loss.

Patty N. Tre-Preneur is frustrated that the City's infrastructure isn't supportive. The local hospitals, overwhelmed with uninsured emergency room patients, have started to confine their services and have eliminated many outside ventures. This affects Patty's ability to be successful locally—though she has created jobs in several remote cities along the east coast. Collaborative research firms are leaving town, putting Patty's business at additional risk. Business fees are becoming intolerable. The absence of festivals and other community events distance Patty and her husband from downtown, where deteriorating structures are increasingly present. Patty's concern about crime governs when and where she walks for exercise. Her husband was just laid off and their health insurance terminated, putting additional strain on their relationship. Patty's big decision is whether to sell her business at a loss and move elsewhere, or stay and keep trying to make it work.

Emma Elderly is living an isolated life, afraid to venture out into the community. She watches a lot of crime reports on TV and, while afraid to move, she talks about it. She's disconnected from city government and politics. Because her family lives far away, she relies on diminishing city services. Her health issues make her a frequent patient at the Kaiser emergency room.

Afterword

Each Scenario suggests possible outcomes in an environment that is shaped by governance/politics and economic forces. They demonstrate that thoughtful people, when presented with specific conditions or facts, can reasonably identify outcomes that should be considered in a planning and decision making process.

In this exercise, Scenario 2, West Side Story, clearly is the outcome, the objective, to be sought. Embracing that outcome does not make it the official future. Too many forces and trends are at work. The real challenge is seeing ourselves in each future at the same time.

This should not be a deterrent to achieving the best possible outcome for San Leandro. Intrinsic to this must be unanimity around a vision of the City we want. San Leandro—officials and residents alike—embraced a post-war vision that came to be. A reprise is possible, even though the economic and technological climate is now vastly different. But a collaborative vision, achieving it, in effect becomes the standard by which all politics, policies and practices are coordinated and measured. Do they facilitate and expedite processes (e.g. permitting) and progress? Decisions must be thought through to their short- and long-term consequences. The plethora of information available is both facilitating and complicating. So are the unknowables certain to arise near and from afar.

But if the vision, the standard, is fixed and embraced, the "right" decisions and the actions will follow, giving San Leandro its best chance for the outcome we can envisage.

Thank you!

1. Dave Johnson from the Chamber of Commerce, also Chris Zapata and Cynthia Battenberg with the City, who quickly stepped up to offer their support for this new adventure.
2. Tim Holmes and Zocalo for providing our event day's caffeine. Mmm.
3. Cece Adams for her generous, ongoing support, and for bringing refreshing lemon water for our event day.
4. Ptah Asabi and Josh Dillman, our Rapid Scenario Planning Day interns, for assisting during the event, to Ptah for his ongoing work with us throughout writing this paper, and to Caroline Holanda for stepping in mid-course and adding her valuable contributions. Thanks also to their teacher Mrs. Styner and the DECA project of San Leandro High School for securing these wonderful interns.
5. All who participated in making this day and this work possible.
6. You, our readers, for having the curiosity and the imagination that it takes to see the stories and changes.